



115 Jackson Energy Lane
McKee, Kentucky 40447
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PUBLIC SERVICE
COMMISSION

February 15, 2008

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40602

RE: Case No. 2007-00333
Third Data Request of Commission Staff to Jackson Energy Cooperative

Dear Ms. O'Donnell:

Please find enclosed the original and ten (10) copies of the responses to the Commission's Order "Third Data Request of Commission Staff to Jackson Energy Cooperative" posted on February 1, 2008.

If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Donald Schaefer".

Donald Schaefer, P.E.
President & CEO

Enclosure

c: Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
Frankfort, Kentucky 40601

RESPONSE TO COMMISSION STAFF'S THIRD DATA REQUEST

2007 FINANCIAL STATEMENTS

- Q. Refer to the responses to Items 2 and 5 of the Commission Staff's second data request ("second request").
- a. When will Jackson Energy close its books for calendar year 2007?
 - b. Provide Jackson Energy's income statement and Times Interest Earned Ratio for calendar year 2007. consider this a continuing request if the information is not available at the time the response to this request is due.
 - c. Based on its 2007 financial results, explain whether Jackson Energy is in default of its Rural Utilities Service mortgage requirements. Consider this a continuing request if the information is not available at the time the response to this request is due.
- R. a. JECC is now in the process of closing its books and preparing its Form 7 for submission to RDUP.
- b. Attached is a copy of the draft Form 7 for the Statement of Operations and Balance Sheet for calendar year 2007.

JECC's TIER for 2007 is provided below:

Interest	5,992,564
Margins	(984,498)
TIER	0.84

- c. JECC is not in violation of its mortgage agreements as its average TIER for the best two out three years exceeds the mortgage requirements.

Interest	5,992,564	4,352,851	10,345,415
Margins	(984,498)	4,624,206	3,639,708
TIER	0.84	2.06	1.35

Item 1
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This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C.901 et seq.) and is not confidential.

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY003 BORROWER NAME AND ADDRESS JACKSON ENERGY COOPERATIVE P O BOX 307 MCKEE, KY 40447-0000
INSTRUCTIONS - <i>Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2</i>	PERIOD ENDED 2007 December
CERTIFICATION <i>We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.</i> ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.	
SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT _____ SIGNATURE OF MANAGER _____	DATE _____ DATE _____

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital.....	79,395,242	86,660,460	91,299,941	8,430,177
2. Power Production Expense.....	0	0	0	0
3. Cost of Purchased Power.....	53,109,137	58,982,861	60,275,694	5,457,128
4. Transmission Expense.....	0	0	0	0
5. Distribution Expense - Operation.....	3,794,734	3,631,258	4,136,408	308,835
6. Distribution Expense - Maintenance.....	4,651,680	4,486,403	4,781,670	624,206
7. Consumer Accounts Expense.....	3,334,632	3,242,207	3,113,175	296,678
8. Customer Service and Informational Expense.....	423,161	458,037	424,780	19,241
9. Sales Expense.....	0	0	0	0
Administrative and General Expense.....	3,031,019	3,568,685	3,626,893	284,009
... Total Operation & Maintenance Expense(2 thru 10).....	68,344,363	74,369,451	76,358,620	6,990,097
12. Depreciation and Amortization Expense.....	6,750,716	7,433,964	7,290,297	650,995
13. Tax Expense - Property & Gross Receipts.....	0	0	0	0
14. Tax Expense - Other.....	89,597	90,146	95,000	0
15. Interest on Long-Term Debt.....	5,565,753	5,992,564	5,902,629	514,973
16. Interest Charged to Construction - Credit.....	0	0	0	0
17. Interest Expense - Other.....	343,925	375,583	280,200	29,404
18. Other Deductions.....	71,182	66,759	71,051	6,640
19. Total Cost of Electric Service (11 thru 18).....	81,165,536	88,328,467	89,997,797	8,192,109
20. Patronage Capital & Operating Margins (1 minus 19)...	(1,770,294)	(1,668,007)	1,302,144	238,068
21. Non Operating Margins - Interest.....	119,146	130,408	120,360	10,953
22. Allowance for Funds Used During Construction.....	0	0	0	0
23. Income (Loss) from Equity Investments.....	30,438	144,174	0	144,174
24. Non Operating Margins - Other.....	(178,998)	63,478	0	3,990
25. Generation and Transmission Capital Credits.....	0	0	0	0
26. Other Capital Credits and Patronage Dividends.....	352,055	345,449	200,000	8,329
27. Extraordinary Items.....	0	0	0	0
28. Patronage Capital or Margins(20 thru 27).....	(1,447,653)	(984,498)	1,622,504	405,514

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	1,132	1,120	5. Miles Transmission	0.00	0.00
2. Services Retired	1,054	606	6. Miles Distribution - Overhead	5,383.94	5,403.30
Total Services in Place	59,533	60,047	7. Miles Distribution - Underground	237.04	249.14
4. Idle Services (Exclude Seasonal)	5,786	6,438	8. Total Miles Energized (5 + 6 +7)	5,620.98	5,652.44

Item 1
Page 3 of 3

USDA-RUS	BORROWER DESIGNATION KY003	
FINANCIAL AND STATISTICAL REPORT	PERIOD ENDED 2007 December	RUS USE ONLY

INSTRUCTIONS - See RUS Bulletin 1717B - 2

PART C. BALANCE SHEET			
ASSETS AND OTHER DEBITS	LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service.....	182,440,650	30. Memberships.....	1,294,785
2. Construction Work in Progress.....	1,634,823	31. Patronage Capital.....	53,525,020
3. Total Utility Plant (1+2).....	184,075,473	32. Operating Margins - Prior Years.....	0
4. Accum. Provision for Depreciation and Amort..	36,118,782	33. Operating Margins - Current Year.....	(1,322,558)
5. Net Utility Plant (3-4).....	147,956,691	34. Non-Operating Margins.....	338,061
6. Non-Utility Property (Net).....	0	35. Other Margins and Equities.....	961,222
7. Investments in Subsidiary Companies.....	1,356,505	36. Total Margins & Equities (30 thru 35).....	54,796,530
8. Invest. In Assoc. Org. - Patronage Capital.....	17,940,416	37. Long-Term Debt - RUS (Net).....	28,925,226
9. Invest. In Assoc. Org. - Other - General Funds	0	(Payments-Unapplied \$.....)	0)
10. Invest. In Assoc. Org. - Oth. - Nongen. Funds..	2,118,581	38. Long-Term Debt - RUS - Econ. Devel. (Net).....	29,629
11. Investments in Economic Development Projects	29,629	39. Long-Term Debt - Other - REA Guaranteed.....	57,785,659
12. Other Investments.....	11,015	40. Long-Term Debt - Other (Net).....	34,189,094
13. Special Funds.....	0	41. Total Long-Term Debt (37 thru 40).....	120,929,608
14. Total Other Property and Investments (6 thru 13)	21,456,146	42. Obligations Under Capital Leases - Noncurrent	0
15. Cash - General Funds.....	961,005	43. Accumulated Operating Provisions.....	4,648,518
16. Cash - Construction Funds - Trustee.....	0	44. Total Other Noncurrent Liabilities (42+43).....	4,648,518
17. Special Deposits.....	420	45. Notes Payable.....	6,900,000
18. Temporary Investments.....	371,000	46. Accounts Payable.....	6,253,586
19. Notes Receivable (Net).....	0	47. Consumers Deposits.....	1,596,524
20. Accounts Receivable - Sales of Energy (Net)..	15,023,068	48. Other Current and Accrued Liabilities.....	2,228,823
21. Accounts Receivable - Other (Net).....	726,248	49. Total Current & Accrued Liabilities (45 thru 48)	16,978,933
Materials and Supplies - Electric and Other.....	1,354,206	50. Deferred Credits.....	313,494
23. Prepayments.....	358,083	51. Accumulated Deferred Income Taxes.....	0
24. Other Current and Accrued Assets.....	18,552	52. Total Liabilities and Other Credits	
25. Total Current and Accrued Assets (15 thru 24)	18,812,582	(36+41+44+49 thru 51).....	197,667,083
26. Regulatory Assets.....	0	ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION	
27. Other Deferred Debits.....	9,441,664	53. Balance Beginning of Year.....	2,805,663
28. Accumulated Deferred Income Taxes.....	0	54. Amounts Received This Year (Net).....	0
29. Total Assets and Other Debits (5+14+25 thru 28)	197,667,083	55. Total Contributions in Aid of Construction.....	2,805,663

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE IS PROVIDED FOR IMPORTANT DISCLOSURE NOTES TO THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT. REPORT ITEMS CONTAINED IN THE INSTRUCTIONS AND ADDITIONAL MATERIAL ITEMS.
(A SEPERATE SHEET MAY BE USED IF ADDITIONAL SPACE IS NEEDED.)

Cash Received From Patronage Capital Refunds: 0

Number of Members for December 2007 - 51,460

Equity to Total Assets - 27.72

T.I.E.R. - December 2007 - 1.79
 T.I.E.R. - Year to Date - .84 - Net
 T.I.E.R. - Year to Date - .72 - Operating
 T.I.E.R. - Year to Date - .78 - Modified

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

- Q. Refer to page 3 of 3 of the response to Item 10 of the Staff's second request, which shows a proposed increase of \$6,672,135 based on the corrected treatment of the amortization expense of \$470,772.
- a. Explain whether Jackson Energy is revising its proposed revenue increase upward to \$6,672,135.
- R. a. Yes. As a result of the correction, the proposed increase would be \$6,672,135.
- Q. b. In a number of its responses, Jackson Energy has noted items, in addition to the amortization expense, for which it made an error on an adjustment or, due to oversight, did not make an adjustment that it should have made. These items are in the responses to Items No. 14, 16, 17(a), 18(b), 18(c), 18(d), and 28 of Staff's second request. Provide an updated version of page 3 of 3 of the response to Item 10 of the request which reflects the impact of these additional changes/corrections.
- R. b. The impact of the adjustments follow, updated version is attached.

14	PSC assessment	10,611
16	Abandon work orders	48,271
17(a)	Depreciation study cost	6,198
17(e)	Legal matters	(3,800)
18(b)	KAEC annual meeting	(336)
18(c)	Director search	(4,400)
18(d)	Official duties	(7,200)
28	Management audit	19,148
		<u>68,492</u>

18(c)	Director search		
	Binder		400
	Brown		600
	Callahan		600
	Cundiff		400
	Hays, III		400
	Madden		400
	McWhorter		800
	Patton		400
	Thompson		400
			<hr/>
			4,400
			<hr/> <hr/>

18(d)	Official duties		
	Binder	11 x 300	3,300
	Callahan	12 x 300	3,600
	Stamper	1 x 300	300
			<hr/>
			7,200
			<hr/> <hr/>

Jackson Energy Cooperative
Case No. 2007-00333
Statement of Operations, Adjusted

Exhibit S
page 2 of 4
Witness: Jim Adkins

	<u>Actual</u> <u>Test Year</u>	<u>Normalized</u> <u>Adjustments</u>	<u>Normalized</u> <u>Test Year</u>	<u>Proposed</u> <u>Increase</u>	<u>Proposed</u> <u>Test Year</u>
Operating Revenues:					
Base rates	\$68,238,835	\$442,685	\$68,681,520	\$6,740,627	\$75,422,147
Fuel and surcharge	11,419,081	(11,419,081)	0		0
Other electric revenue	1,762,102	84,406	1,846,508		1,846,508
	<u>81,420,018</u>	<u>(10,891,990)</u>	<u>70,528,028</u>	<u>6,740,627</u>	<u>77,268,655</u>
Operating Expenses:					
Cost of power:					
Base rates	43,227,653	22,750	43,250,403		43,250,403
Fuel and surcharge	11,046,893	(11,046,893)	0		0
Distribution - operations	3,710,004	217,326	3,927,330		3,927,330
Distribution - maintenance	4,551,005	121,548	4,672,553		4,672,553
Consumer accounts	3,236,171	108,588	3,344,759		3,344,759
Customer service	420,483	24,032	444,515		444,515
Sales	0	0	0		0
Administrative and general	3,070,337	50,758	3,121,095		3,121,095
Total operating expenses	<u>69,262,546</u>	<u>(10,501,891)</u>	<u>58,760,655</u>	<u>0</u>	<u>58,760,655</u>
Depreciation	6,389,695	338,644	6,728,339		6,728,339
Amortization	470,772	0	470,772		470,772
Taxes - other	89,597	0	89,597		89,597
Interest on long-term debt	5,697,178	47,074	5,744,252		5,744,252
Interest expense - other	354,734	(130,503)	224,231		224,231
Other deductions	64,588	(64,588)	0		0
PSC Third data request #1	68,492	68,492	68,492		68,492
Total cost of electric service	<u>82,329,110</u>	<u>(10,242,772)</u>	<u>72,086,338</u>	<u>0</u>	<u>72,086,338</u>
Utility operating margins	<u>(909,092)</u>	<u>(649,218)</u>	<u>(1,558,310)</u>	<u>6,740,627</u>	<u>5,182,317</u>
Nonoperating margins, interest	124,504	0	124,504		124,504
Nonoperating margins, other	(146,827)	203,605	56,778		56,778
Patronage capital credits	380,653	0	380,653		380,653
Net Margins	<u>(\$550,762)</u>	<u>(\$445,613)</u>	<u>(\$996,375)</u>	<u>\$6,740,627</u>	<u>\$5,744,252</u>
TIER	0.90		0.83		2.00

Witness: Jim Adkins

Jackson Energy Cooperative
Case No. 2007-00333
Public Service Commission Third Data Request

Refer to pages 1 through 3 of 5 of the response to Item 11 of the Staff's second request and Exhibit X of the application. Further review of Exhibit X reflects that, excluding environmental surcharge amounts, (1) Jackson Energy's test-year revenues were roughly \$2.5 million less than its revenues in the 12 months immediately preceding the test year and (2) its test-year purchased power expenses was roughly \$45,000 greater than in the 12 months immediately preceding the test year. Staff is satisfied that the changes in Jackson Energy's wholesale billing units from the prior period to the test year explain the slightly greater level of purchased power cost during the test year. However, the changes in retail billing units do not appear to support the test year's lower level of revenues. Provide an explanation for why non-environmental surcharge revenues declined by \$2.5 million from the prior period to the test year.

Response

Jackson Energy expenses the purchased power in the month the power was used. However, the fuel component of the purchased power bill will not be used in the fuel charge calculation and billed to Jackson Energy's consumers until two months later. This resulted in the Form 7 showing an expense for two months of purchased fuel but no matching fuel revenue. To try to correct this situation, in March 2005 Jackson Energy started setting up the purchased power fuel charge from EKP as a receivable and as electric revenue. Two months later when the fuel is actually billed to the consumers the purchased power fuel entry will be reversed and the actual billed fuel will be recorded. The amounts applicable to the appropriate revenue periods are as follows:

Power bill fuel charge set up as receivable for the test year:

Entry to reverse Jan. 06 entry	(\$1,237,344)
Entry to reverse Feb. 06 entry	(\$720,087)
January 2007	\$728,117
February 2007	<u>\$886,561</u>
Total	<u><u>(\$342,753)</u></u>

Power bill fuel charge set up as receivable for 12 months preceding test year:

Entry to reverse Jan. 05 entry	\$0
Entry to reverse Feb. 05 entry	\$0
January 2006	\$1,237,344
February 2006	<u>\$720,087</u>
Total	<u><u>\$1,957,431</u></u>

The effect on the test year revenue is a reduction of \$2,300,184.

Item 3
Page of 2
J. Adkins

Jackson Energy Cooperative
Case No. 2007-00333
Second Data Request of Commission Staff

Test Year	Rate Schedule	Customer Charge	kWh Usage	Demand Usage	KVA Minimum Up Charge	Environmental Surcharge	Primary Meter Discount	Load Factor Penalty	Interruptible Rider	Billing Adjustments	Fuel Charge	Billing Total	Office Use	Unbilled Fuel	Form 7 Total
	Schedule 01 - Special Dual Fuel	\$1,850	\$16,456			\$1,346				\$7,209	\$1,761	\$21,413			
	Schedule 10 - Residential, Farm and Non-Farm	\$4,561,019	\$45,440,688		\$103	\$3,686,770					\$4,627,237	\$58,323,026			
	Envirowatts		\$5,832									\$5,832			
	Schedule 11 - ETS		\$397,014			\$27,480				\$922	\$54,312	\$479,728			
	Schedule 20 - Commercial, Small Power and 3-Phase	\$365,440	\$3,039,127		\$3,838	\$259,560				\$2,122	\$324,366	\$3,994,473			
	Schedule 22 - ETS		\$10,688			\$847				\$103	\$1,475	\$13,010			
	Schedule 30 - Large Power less than 50 KW	\$62,756	\$902,212	\$294,572	\$24,423	\$94,017				\$103	\$104,245	\$1,462,328			
	Schedule 33 - Water Pumping	\$1,098	\$109,184		\$2,414	\$8,573				(\$324)	\$13,914	\$135,183			
	Schedule 40 - Large Power 50 KW to 274 KW	\$32,718	\$3,163,115	\$929,637	\$27,511	\$308,464	(\$4,824)				\$437,882	\$4,914,179			
	Schedule 43 - Large Power 275 KW and over	\$7,864	\$1,818,682	\$523,059	\$14,711	\$174,413	(\$11,246)				\$278,034	\$2,805,517			
	Schedule 46 - Large Power 500 KW and over	\$34,560	\$1,470,765	\$489,568		\$153,994		\$14,107			\$305,834	\$2,486,848			
	Schedule 47 - Large Power 500 KW to 4,999 KW	\$34,560	\$999,105	\$356,125	\$3,271	\$103,730	(\$47,004)	\$20,917			\$187,033	\$1,657,737			
	Schedule 50 - Schools, Churches and Community Halls	\$18,165	\$347,531			\$27,336					\$34,414	\$427,446			
	Schedule 52 - All Electric Schools	\$8,888	\$528,201		\$1,532	\$40,325					\$59,180	\$638,126			
	Schedule 60 - Schools, Churches and Community Halls	\$67,262	\$543,473			\$47,053					\$55,465	\$713,253			
	Schedule 0L - Street Lighting and Security Lights		\$2,033,703							(\$13,201)		\$2,020,502			
	Total	\$5,195,980	\$60,845,976	\$2,592,981	\$77,803	\$4,933,908	(\$63,074)	\$35,024	\$0	(\$3,169)	\$6,485,172	\$80,100,601	(\$89,933)	(\$342,752)	\$79,657,916

For the 12 months preceeding the test year

Rate Schedule	Customer Charge	kWh Usage	Demand Usage	KVA Minimum Up Charge	Environmental Surcharge	Primary Meter Discount	Load Factor Penalty	Interruptible Rider	Billing Adjustments	Fuel Charge	Billing Total	Office Use	Unbilled Fuel	Form 7 Total
Schedule 01 - Special Dual Fuel	\$2,086	\$19,521			\$689				\$5,128	\$2,320	\$24,816			
Schedule 10 - Residential, Farm and Non-Farm	\$4,540,333	\$45,195,804		\$119	\$2,212,400					\$5,638,116	\$57,591,900			
Envirowatts		\$3,845									\$3,845			
Schedule 11 - ETS	\$403,699	\$403,699			\$21,972				(\$184)	\$84,772	\$510,259			
Schedule 20 - Commercial, Small Power and 3-Phase	\$332,463	\$2,855,304		\$3,684	\$137,235				\$1,313	\$362,306	\$3,692,306			
Schedule 22 - ETS		\$8,642			\$556					\$1,930	\$11,128			
Schedule 30 - Large Power less than 50 KW	\$61,213	\$824,463	\$282,542	\$22,848	\$49,300				\$11	\$111,742	\$1,352,119			
Schedule 33 - Water Pumping	\$1,098	\$115,128		\$1,613	\$5,140				\$2	\$16,740	\$139,721			
Schedule 40 - Large Power 50 KW to 274 KW	\$32,710	\$3,152,960	\$941,309	\$32,101	\$170,095	(\$4,723)				\$502,130	\$4,826,582			
Schedule 43 - Large Power 275 KW and over	\$9,496	\$1,592,843	\$482,339	\$16,179	\$86,456	(\$701)	\$518			\$263,989	\$2,450,119			
Schedule 46 - Large Power 500 KW and over	\$34,560	\$1,520,492	\$499,483		\$88,109		\$11,872			\$366,140	\$2,520,656			
Schedule 47 - Large Power 500 KW to 4,999 KW	\$51,904	\$1,124,452	\$404,105	\$10,567	\$71,076	(\$47,462)	\$26,315	(\$2,623)		\$249,259	\$1,884,359			
Schedule 50 - Schools, Churches and Community Halls	\$17,430	\$359,879		\$423	\$15,315					\$39,663	\$412,730			
Schedule 52 - All Electric Schools	\$9,456	\$445,279		\$909	\$20,367					\$61,466	\$537,477			
Schedule 60 - Schools, Churches and Community Halls	\$66,653	\$545,558			\$28,911					\$68,459	\$703,782			
Schedule 0L - Street Lighting and Security Lights		\$1,981,413							(\$16,992)		\$1,964,421			
Total	\$5,158,602	\$60,129,283	\$2,609,778	\$88,443	\$2,907,821	(\$52,886)	\$38,705	(\$2,623)	(\$13,956)	\$7,769,053	\$78,632,220	(\$97,334)	\$1,957,431	\$80,492,317
Change	\$37,378	\$716,693	(\$16,797)	(\$10,640)	\$2,026,087	(\$10,188)	(\$3,661)	\$2,623	\$10,787	(\$1,283,881)	\$1,468,381	(\$2,599)	(\$2,300,183)	(\$834,401)

80,492,317
1,575,355
82,067,672

RESPONSE TO COMMISSION STAFF'S THIRD DATA REQUEST

- Q Refer to pages 4 through 5 of 5 of the response to Item 11 of the Staff's second request.
- a The response to Item ©(1) states that the Global Positioning System and mapping project, which started in February 2006, is expected to take approximately 4 years to complete and that test-year expenditures "will continue for this period." By "this period" does Jackson Energy mean for the next 2 years, until February 2010? Explain whether, after the project is completed, the expenditure level is expected to revert to the level experienced prior to the project.
- R a The Global Positioning System and Mapping Project will last for four years. We do anticipate project completion in 2010 or 2011. The expenses will decrease when the project is completed. The Rural Utilities Service is allowing JECC to capitalize 75% of most of these costs. Expenses included in the test year are representative of the non-capitalized costs for the four year project period.
- Q b The response to item ©(2) states that "Expense increase due to changing coordination scheme which requires regulators and OCR's to be changed in the field." Explain what is meant by "changing coordination scheme" and why, and by whom, regulators and OCR's are required to be changed in the field.
- R b Periodically we review the system coordination on our circuits to assure that they provide for our system and the public. JECC began reviewing our system and identified reclosers that need to be relocated or upgraded. Much of this work is considered system maintenance. The regulators are changed out periodically to do maintenance on the units. These expenses are both ongoing expenses.
- Q c The response to item [c][2] states that there were "more outages during the test year." Provide a comparison of the number of outages and the number of customers affected by outages during the test year compared to calendar years 2001 through 2005 along with a comparison of the amounts recorded in Account 593.01, Maintenance of Lines - Emergency, for the test year and the same 5 calendar years.

RESPONSE TO COMMISSION STAFF'S THIRD DATA REQUEST

- R c Included are two summaries labeled "Outage Category Report". One is for 3/1/2005 to 2/28/2006. The other report is for the test year in this application. In comparing the two reports, the test year indicated an increase of 441 outage events and an increase of 30,098 consumer hours outage during the test year. This results in more labor hours to restore service.

In 2005, we installed an Outage Management System ("OMS") which allows us to have more detailed reports. The 2001-2005 data is listed on the attached sheet labeled JECC Service Interruptions. The annual expenses for Account 593.01 for 2001 through 2005 is provided below:

2001	808,535
2002	1,030,425
2003	935,063
2004	1,204,528
2005	990,854

- Q. d The response to Item [c][4] indicates that the increase in right-of-way expense to "get on a more current rotation for clearing the system." Explain whether the increase during the test year has enabled Jackson Energy to get on a more current rotation or whether the higher levels of expense will need to continue for it to get on a more current rotation at some point in the future.
- R d The additional expenditures on our right-of-way program will be ongoing. We are experiencing an improvement in right-of-way conditions. We have acquired a consultant to analyze our system and the present status of our program and rotation. The consultant will make recommendations in the near future. We do not anticipate lowering our right-of-way clearing expenses.

Outage Category Report

JEC

*Item 4a-d
Page 3 of 9
D. Schaefer*

Period From 3/1/2005 to 2/28/2006

Cause

Cause Description	Outs	Members	Hours	YTD Outs	YTD Members	YTD Hours
Aircraft	0	0	0.00	0	0	
Animal / Bird	147	2077	2,246.20	150	2155	2,370.22
Bad Connection	23	215	628.42	29	313	731.85
Customer Responsible	2	2	0.92	2	2	0.92
Deterioration	38	838	1,886.48	44	869	1,920.28
Equipment	152	7192	11,697.20	184	8621	15,257.28
Fire	13	171	202.17	15	176	206.92
Ice	10	180	474.77	10	180	474.77
Large Animal	5	102	152.82	7	105	155.55
Lightning	268	3975	6,524.00	271	4044	6,626.07
Maintenance	22	414	265.47	23	465	364.92
Major Storm	5	106	642.25	6	121	650.25
Other Utilities	38	2725	4,444.95	39	2727	4,446.12
Overload	38	579	416.22	53	1348	3,328.15
Power Supplier	16	20096	17,811.37	20	23445	30,860.70
ROW Crew	17	530	470.07	17	530	470.07
Scheduled	167	4755	3,526.90	207	5235	4,138.65
Squirrel	56	757	536.38	57	1323	1,092.95
Tree/Limb in ROW	213	6941	12,762.92	225	7189	13,108.57
Tree/Limb out of ROW	238	9253	20,137.20	266	10420	21,211.48
Unknown Cause	221	4838	6,861.62	256	5226	7,252.08
Vandals	2	96	325.47	2	96	325.47
Vehicles	52	2512	4,659.73	57	2634	4,867.72
Wind	37	1513	2,208.10	45	2589	2,989.22
Woodcutter	44	1315	1,809.58	55	1604	2,153.95
Totals	1824	71182	100,691.18	2040	81417	125,004.13
Average Outage Time per Customer Affected			1.41			1.54

Item 4g-d
 Page 4 of 9
 D. Schoeder

Period From 3/1/2005 to 2/28/2006

Equipment Failure

Cause Description	Outs	Members	Hours	YTD	YTD	YTD
				Outs	Members	Hours
Anchor	0	0	0.00	0	0	
Connector	17	374	1,156.80	19	1016	2,673.93
Crossarm	3	168	458.80	7	254	546.20
Cutout	31	316	409.40	38	402	549.42
Elbow	1	23	68.62	1	23	68.62
Guy Wire	4	137	37.90	4	137	37.90
Hot Line Clamp	29	1284	2,830.40	33	1375	3,064.53
Insulator	19	1453	2,745.63	21	1542	2,962.87
Jumper	1	17	17.57	1	17	17.57
Lightning Arrestor	33	2675	4,121.75	41	2977	4,899.43
None	1460	59287	81,284.22	1597	66437	98,408.40
OH Switch	4	44	75.73	5	48	78.80
Pole	56	881	1,467.37	78	1318	2,008.08
Recloser	3	955	1,432.68	4	1084	1,615.43
Regulator	2	984	38.17	3	988	42.50
Sleeve	4	84	135.87	4	84	135.87
Transformer	79	866	1,174.78	87	875	1,204.02
URD Cable	1	16	9.60	2	23	44.13
URD Splice	1	1	8.62	1	1	8.62
URD Switch	0	0	0.00	0	0	
Wire	76	1617	3,217.28	94	2816	6,637.82
Totals	1824	71182	100,691.18	2040	81417	125,004.13
Average Outage Time per Customer Affected			1.41			1.54

Period From 3/1/2005 to 2/28/2006

Outage Type

Cause Description	Outs	Members	Hours	YTD Outs	YTD Members	YTD Hours
Major Storm Outage	3	84	520.05	4	99	528.05
Overhead Primary	1448	46226	78,530.33	1625	52999	89,632.47
Planned	142	4397	3,014.93	145	4455	3,065.83
Power Supplier	16	20096	17,811.37	20	23445	30,860.70
Secondary	210	351	742.45	238	381	808.53
Underground Primary	2	24	68.95	4	32	104.02
Unknown	3	4	3.10	4	6	4.53
Totals	1824	71182	100,691.18	2040	81417	125,004.13
Average Outage Time per Customer Affected			1.41			1.54

Outage Category Report

JEC

*Item 49-d
Page 6 of 9
D. Schaefer*

Period From 3/1/2006 to 2/28/2007

Cause

Cause Description	Outs	Members	Hours	YTD Outs	YTD Members	YTD Hours
Aircraft	1	7	5.13	1	7	5.13
Animal / Bird	119	1209	1,552.83	130	1289	1,635.52
Bad Connection	12	384	424.17	19	513	862.50
Customer Responsible	13	47	74.65	14	48	75.03
Deterioration	49	530	1,384.90	53	605	1,577.47
Equipment	182	7100	10,259.80	211	8536	12,923.53
Fire	9	226	249.30	9	226	249.30
Ice	5	77	202.90	15	257	677.67
Large Animal	1	6	2.90	1	6	2.90
Lightning	393	7174	10,998.07	406	7329	11,247.15
Maintenance	27	569	392.27	33	728	450.35
Major Storm	1	483	322.00	3	505	444.20
Other Utilities	18	1703	317.72	21	2420	3,921.65
Overload	37	1310	1,761.45	48	1641	1,920.47
Power Supplier	8	10131	17,363.43	8	10131	17,363.43
ROW Crew	24	617	964.77	32	1045	1,324.92
Scheduled	190	3785	5,726.23	218	4340	6,180.30
Squirrel	90	860	1,054.02	99	979	1,155.60
Tree/Limb in ROW	283	9073	30,033.45	297	9832	31,048.10
Tree/Limb out of ROW	344	11559	31,473.85	391	12974	35,334.30
Unknown Cause	294	8092	8,083.28	329	8556	8,866.65
Vandals	9	594	2,186.87	9	594	2,186.87
Vehicles	53	3790	9,443.73	60	4309	9,989.75
Wind	24	3621	4,382.57	29	3673	4,445.27
Woodcutter	38	554	928.13	45	725	1,214.00
Totals	2224	73501	139,588.42	2481	81268	155,102.05
Average Outage Time per Customer Affected			1.90			1.91

*Item 48-d
Page 7 of 9
D. Schaefer*

Period From 3/1/2006 to 2/28/2007

Equipment Failure

Cause Description	Outs	Members	Hours	YTD	YTD	YTD
				Outs	Members	Hours
Anchor	1	10	77.00	1	10	77.00
Connector	15	295	438.25	18	300	446.53
Crossarm	0	0	0.00	1	3	2.60
Cutout	33	2568	1,796.60	41	2585	1,833.43
Elbow	1	41	118.22	1	41	118.22
Guy Wire	7	465	764.43	8	467	768.07
Hot Line Clamp	23	785	1,631.97	27	821	1,650.50
Insulator	18	767	1,526.08	23	1865	3,576.70
Jumper	15	301	508.70	16	318	526.27
Lightning Arrestor	31	974	1,388.55	34	1084	1,539.50
None	1837	57867	110,649.85	2024	63637	122,915.92
OH Switch	1	27	80.55	2	44	96.70
Pole	65	2470	6,310.15	80	2703	6,784.53
Recloser	10	809	1,583.53	10	809	1,583.53
Regulator	3	3257	2,070.78	4	3418	2,081.52
Sleeve	9	401	846.00	12	476	957.12
Transformer	60	136	265.37	70	151	299.15
URD Cable	2	34	143.80	2	34	143.80
URD Splice	1	5	27.75	1	5	27.75
URD Switch	1	2	1.23	1	2	1.23
Wire	91	2287	9,359.60	105	2495	9,671.98
Totals	2224	73501	139,588.42	2481	81268	155,102.05
Average Outage Time per Customer Affected			1.90			1.91

Outage Type

Cause Description	Outs	Members	Hours	YTD Outs	YTD Members	YTD Hours
Major Storm Outage	0	0	0.00	0	0	
Overhead Primary	1807	57459	115,104.27	2013	64576	130,092.28
Planned	196	3881	5,942.10	224	4496	6,402.53
Power Supplier	10	11723	17,421.88	10	11723	17,421.88
Secondary	203	335	816.90	226	370	882.08
Underground Primary	7	102	300.28	7	102	300.28
Unknown	1	1	2.98	1	1	2.98
Totals	2224	73501	139,588.42	2481	81268	155,102.05
 Average Outage Time per Customer Affected			1.90			1.91

JACKSON ENERGY COOPERATIVE
SERVICE INTERRUPTIONS
AVERAGE ANNUAL HOURS/CONSUMER
BY CAUSE

<u>Year</u>	<u>Power Supply</u>	<u>Storm</u>	<u>Pre-Arranged</u>	<u>Other</u>	<u>Total</u>
1998	3.64	40.59	.01	1.88	46.12
1999	.27	.00	.02	2.16	2.45
2000	.49	.10	.04	2.15	2.78
2001	.01	.02	.09	1.56	1.68
2002	.07	.11	.04	1.87	2.09
2003	.29	2.43	.06	8.60	11.38
2004	.24	.19	.01	4.81	5.25
2005	.60	.01	.07	1.43	2.11
2006	.35	.01	.10	2.47	2.93
<u>5 Year Average</u>	.31	.55	.06	3.84	4.76

Jackson Energy Cooperative
Case No. 2007-0033
Third Data Request of Commission Staff

Q. The response to Item c (5) indicates that increases in the cost of a lockbox service and bank charges for credit card payers caused the increase in Consumer Records and Collection costs. Provide the costs incurred for the lockbox service and the bank charges for credit card payers for the test year and the 12 months immediately preceding the test year.

R. Lockbox Service:

The test year costs for lockbox were \$49,820.55 for March, 2006 - February, 2007

The 12 months immediately preceding the test year were March, 2005 - February, 2006. Since Jackson Energy Cooperative started using the lockbox services for the first time during the February, 2006, the 12 months immediately preceding the test year included only a partial month of lockbox costs. This partial month's lockbox costs were \$2,178.85

Bank Charges for Credit Card Payers:

The bank charges for credit cards for March, 2005 - February, 2006 were \$54,563.79.

The bank charges for credit cards for March, 2006 - February, 2007 were \$83,814.15.

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

- Q. Refer to pages 4 through 5 of 5 of the response to Item 11 of the Staff's second request.
- f. The response to Item (c)(6) explained what was meant by "Treasury Interest" but did not explain why there was such an expense in the test year, in the amount of \$349,557, when there was no such expense in the 12 months immediately preceding the test year. Provide the explanation previously requested.
- R. f. There were no advances against this RUS loan during the year preceding the test year.

Jackson Energy Cooperative
Case No. 2007-0033
Third Data Request of Commission Staff

Q. Refer to the response to Item 12(a) of the Staff's second request, which states that the wage increase scheduled for November, 2006 was delayed until March 2007 and that the last wage increases prior to March, 2007 were in November 2005. Contrary to this response, Exhibit 1, pages 8 through 10 of 10 of Jackson Energy's application, reflects that there were wage rate increases on November 1, 2006. Reconcile the apparent contradiction between the response and the exhibit and clarify the date of any wage rate increases after March 1, 2006, the first day of the test year.

R. Please refer to Jackson Energy Cooperative's response to the Commission's Second Data Request, Question 12. That response had errors in the explanation of the dates. That response should have read:

Normally wage increases were granted in July. However in an effort to reduce expenses, the wage increase that would have gone into effect in July, 2006, was delayed until November 5, 2006. The last increase before March 1, 2007 was given on November 5, 2006.

Summary of wage increases from July, 2004 through March 1, 2007:

Wage increases were given in July, 2004.

Wage increases were given in July, 2005.

Wage increases were given on November 5, 2006

Reconciliation of the response to the Exhibit:

Please refer to Exhibit 1, pages 8-10:

The column labelled "Wage Rate 01-Jul-2005" reflects the wage in effect on July 1, 2005. Those wages resulted from the increase given in July, 2004 and was before the raise given in July, 2005.

The column labelled "Wage Rate 01-Nov-2006" reflects the wage in effect on November 1, 2006. Those wages resulted from from the increase given in July, 2005.

The column labelled "Wage Rate 01-Mar-2007" reflects the wage in effect on March 1, 2007. Those wages resulted from the increase given on November 5, 2006.

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

- Q. 6. Refer to the responses to Items 13(a) and 13(d) of the Staff's second request and Item 38 of the Staff's initial data request, all of which relate to Jackson Energy's depreciation study and depreciation expense adjustment. The response to Item 13(a) indicates that Jackson Energy decided to use the average service life and the "average net salvage allowance" in an effort "to keep the amount of increase requested at a reasonable level."
- a. Was Jackson Energy's decision based solely on its concern about the level of the proposed increase? If there were other reasons, provide them.
- R. a. Yes. Jackson Energy agrees with the results and methodologies of the depreciation study as prepared.
- Q. b. Provide a schedule which shows how Jackson Energy's normalized depreciation expense would differ from what has been proposed if it had chosen to include net salvage as a component of its depreciation rates.
- R. b. Jackson Energy has included the average net salvage for the previous five years in its proposed rates. This calculation is shown as Item 38 of the Staff's initial data request, page 9 of 9. The five year net salvage allowance is (\$762,697). This has been allocated to the rates as shown on this same page. The last column on the right shows the percentage of net salvage to the plant balances as of December 31, 2005. Page 8 of 9 indicates the net salvage percentage added to the rate with no net salvage. The rates shown on the far right are the Adjusted Rates with the net salvage included.

The normalized depreciation on page 3 of 9 includes the net salvage allowance.

**Jackson Energy Cooperative
Case No. 2007-00333
Public Service Commission Third Data Request**

7. Refer to pages 1 through 5 of 18 in Exhibit 19 of Jackson Energy's application, which provides statistical comparisons of electric cooperatives in Kentucky. For the calendar year 2006, Jackson Energy was the fourth largest cooperative on the East Kentucky Power Cooperative, Inc. ("EKPC") system, measured in number of customers, and second largest measured in miles of line. Its number of customers per mile of line was only slightly lower than the average for the EKPC system. Given these statistics, what accounts for Jackson Energy having the third highest average expense per customer on the EKPC system, with that expense being 14.5 percent above the system average, and also having an average expense per mile of line that is 14.4 percent above the system average?

Response

During 2006 Jackson Energy's experienced significant increases in purchased power costs, maintenance expenses (right-of-way), and interest expense on long-term debt and depreciation expense. The increase in number of consumers for 2006 was less than 1 percent. These cost increases combined with the small growth in consumers resulted in the average cost per consumer increasing to \$300. Jackson Energy serves the major portion of seven counties which are very rural and encompasses a very large service territory. The largest growth is in Laurel County which is more condensed than the other counties. This makes Jackson Energy's overall density appear to be higher even though there continues to be slower growth in the other counties.

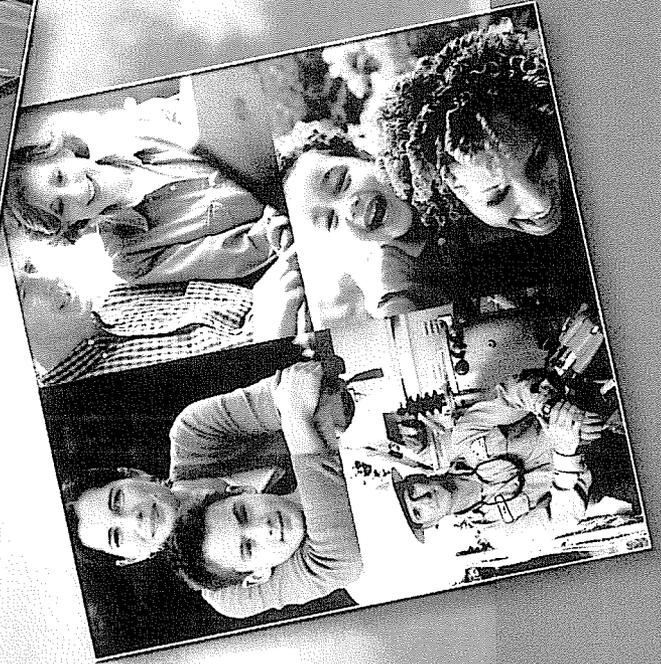
Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

- Q. 8. Refer to the response to Item 17(a) of the Staff's second request which, in addition to requesting the amount of any additional costs for the depreciation study, also asked when the costs were incurred. Provide the date(s) of when the additional cost of \$6,198.15 was incurred, as originally requested.
- R. 8. Payments to Gannett Fleming are as follows:

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>
03/15/07	67081	1,655.00
05/16/07	67782	810.00
06/29/07	68351	1,240.00
09/21/07	69909	2,493.15
		<u>6,198.15</u>

Join us in Orlando, Florida, February 14 – 22, 2006

2006 NRECA 64th Annual Meeting



Investing in the Future

TechAdvantage Conference & Expo

February 14 – 20, 2006
Rosen Centre Hotel & Conference Center
Orange County Convention Center

Director Training Programs

February 16 – 19, 2006
Rosen Plaza Hotel

Workplace Law / Legal Seminar 46

February 17 – 19, 2006
Rosen Plaza Hotel

NRECA Annual Meeting General Sessions

February 20 – 22, 2006
Orange County Convention Center

Item 9
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Join us in Orlando in February for the 64th Annual Meeting of the National Rural Electric Cooperative Association. It's our annual gathering of cooperative leaders from across the country... a time to celebrate the strength of the cooperative network, to conduct the important business of the association and to focus on how we can work together to *Invest in the Future*.

You'll be:

ENLIGHTENED by thought-provoking presentations from our keynote speakers and the leaders of your organization,

EDUCATED about critical issues through small group forums and director training courses,

INSPIRED as we spotlight national award-winning cooperatives that have made a special impact on their communities and honor Certified Cooperative Directors,

ENERGIZED by networking with your cooperative peers, and
ENTERTAINED by country music legend Kenny Rogers.

Don't miss it. *Invest in your future* as an effective, engaged cooperative director, CEO and staff member by attending your 2006 Annual Meeting.

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Pre-Annual Meeting Programs & Training

Make the most of your annual meeting experience and take advantage of these programs. To register for the legal programs and the director training courses, please complete the Pre-Annual Meeting Training Registration form on page 17. To register for TechAdvantage, visit www.techadvantage.org.



TECH ADVANTAGE® 2006 CONFERENCE & EXPO

Rosen Centre Hotel and Conference Center
and Orange County Convention Center
February 14–20, 2006

TechAdvantage® is the only technology conference and trade show for electric cooperative engineering & operations, supply chain management and IT professionals. Sessions focus on a wide array of topics including power quality and reliability, system integration, IT storage management, commodity indexing and fuel supply efficiency.

This year's conference features the **RUS Electrical Engineering Workshop**, February 14–15. The workshop focuses on hot button issues and the latest RUS publications and standards.

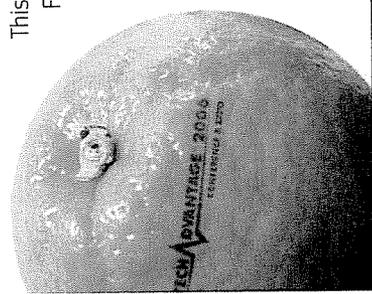
At the **TechAdvantage Expo** you can experience the latest technology and product advancements designed to help you contain costs, improve productivity and ensure the success of your co-op. View, use and evaluate cutting-edge products from more than 270 exhibitors. Don't miss **Technology Showcase**, February 18, a half-day program featuring 25 presentations on the latest products and technologies for electric co-ops.

TechAdvantage Expo Schedule Orange County Convention Center

Friday, February 17	4:30 p.m. – 7:30 p.m.	Gala Grand Opening Celebration
Saturday, February 18	9:00 a.m. – 12:10 p.m.	Technology Showcase
	10:00 a.m. – Noon	Special session for CEOs and Staff only
	Noon – 3:00 p.m.	Expo Open
Sunday, February 19	11:00 a.m. – 3:00 p.m.	Expo Open
Monday, February 20	11:30 a.m. – 2:30 p.m.	Expo Open

visit www.techadvantage.org

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TechAdvantage 2006 Exhibitors as of November 15, 2005

2005 IEEE PEST and D Expo	CYME International T&D, Inc.	Hill Manufacturing Inc.	NIJUNS, Inc.	Southeastern Reprographics, Inc.
4DataLink	Daffron & Associates, Inc.	Howard Industries, Inc.	North American Wood Pole Council	Sperry Instruments
ABB, Inc.	dataVoice International, Inc.	Hubbell Power Systems	NRTC	Staples Business Advantage
ABN Commodities, Ltd.	Davey Resource Group	Hughes Brothers, Inc.	OCAS-AS	Statewide Editors Association
Accent Business Services, Inc.	Deloitte	Hunt Power	The Okonite Company	Steffes Corporation
ACES Power Marketing	DeLorme	Hunt Technologies, Inc.	Open Solutions Remittance Processing	Stratos VSAT, Inc.
Advanced AMR Technologies	Doble Engineering Company	Huskie Tools	Open Systems International, Inc.	Survallent Technology
Advanced Control Systems	Document Imaging Solutions, Inc.	Immediate Response Spill Technologies	(OSI)	T&R Service Company
Advanced Utility Systems Corporation	DuPont Vegetation Management	Information Intellect, Inc.	Origin GeoSystems, Inc.	Tantulus Systems Corp.
Altec Industries, Inc.	ECI (Environmental Consultants, Incorporated)	Innovative Utility Products	Osmose Utilities Services, Inc.	Terex Utilities
American Safety Utility Corporation	ECO Technology Solutions, LLC	InsulBoot Inc. — Division of Plastic Dip Moldings, Inc.	Panasonic Computer Solutions Company	Thomas & Betts Corporation
American Wind Energy Association (AWEA)	Electrical Systems Consultants, Inc.	Insurance Network of America	Partner Software	Time Manufacturing Company
Arch Wood Protection	Electro Industries, Inc.	Iron	Patterson & Dewar Engineers, Inc.	Touchstone Energy
Arkansas Electric Cooperatives, Inc.	Energy Alternatives	Jordan Transformer	Pike Electric, Inc.	Townsend Tree Service Co., Inc.
Asplundh Tree Expert Company	Energy Consulting Group	Joslyn Hi-Voltage	Powel-MiniMax	TransCOR Information Technologies
ATS, Inc.	EnerVision, Inc.	Jolto Desk	Power Delivery Associates, Inc.	Transworld Network Corp.
AudioTel Corp.	Enspira Solutions, Inc. — an Osmose Company	Kaddas Enterprises, Inc.	Power Monitors, Inc.	TSE International
Avistar, Inc.	Environmental Protection Services	Katolight Corporation	Power System Engineering	TVD, Inc.
Beech Street	Envision Utility Software Corporation	Kershaw Manufacturing	PowerlineMan	TWACS by DCSI
Bridges Electric, Inc.	Equipment Technology, Inc. (ETI)	Kiefer Industrial Trailers	Preformed Line Products	Twenty First Century Communications
Business Information Systems	ERMCO	LabOne, Inc.	ProCore Solutions	U.S. DOE GePowering the West Program
C.H. Guernsey & Company	ESRI	Laminated Wood Systems, Inc.	Professional Computer Systems	U.S. DOE Wind Powering America Program
C3-Illex	EUDA-GRESKO Utility Supply, Inc.	Landis+Gyr	QEI, Inc.	UAI, Inc.
CallNet Call Center Services, Inc.	Eye Lighting International of North America	Laser Atlanta, LLC	Radius Technology	United Services Group
Camoplast	FLIR Systems	Marathon Water Heaters	Rainbow Treecare Scientific Advancements	Ulitcom Systems, Inc.
Cannon Technologies, Inc.	Focus Professional Services, Inc.	MasTec Energy Services	RouteSmart Technologies, Inc.	UtiliTec, an Ancor Company
Caremark	FPL Energy	Mauell Corporation	RS Technologies	Utility Automation & Engineering T&D
Carhartt	G&W Electric Company	McFarland Cascade	S&C Electric Company	Utilix Corporation
Cass County Electric Cooperative	GDS Associates, Inc.	Milsoff Utility Solutions, Inc.	Salisbury	Vacuodyne, Inc.
CCN	GE Energy	Milspec Ind.	Schweitzer Engineering Laboratories, Inc.	The VON Corporation
Central Service Association	Genics, Inc.	Miner & Miner	SecureWorks	Vvvo
CEVA Energy	Geotek, Inc., PUIPI Division	Minol USA	SensorLink Corporation	W.A. Kendall & Co., Inc.
Chapel Mapping	Great Southwestern Construction	Moloney Electric, Inc.	Sensus Metering Systems	Waukesha Electric Systems
CIS Conference, Inc.	GridNet Broadband	Motorola, Inc.	Service Concepts	WeatherTAP.com
Cogsdale Corporation	Hall's Safety Equipment Corporation	MultiPlan, Inc.	SGS Witter, Inc./a TRC Company	Wilson Bohannon Padlock Company
Colorado Energy Management, LLC	HDW Electronics	National Rural Electric Cooperative Association	Sherman & Reilly, Inc.	Wood Quality Control, Inc.
Comsquared Systems	Health Dialog	Nielson, Hurtado & Associates	Siemens PT&D	
Converge, Inc.	Henkels & McCoy, Inc.	NISC	Solomon Corporation	
Continental Utility Solutions, Inc.	High Cotton		Southeastern Data Cooperative, Inc.	
Convecstar				
Cooperative Response Center (CRC)				

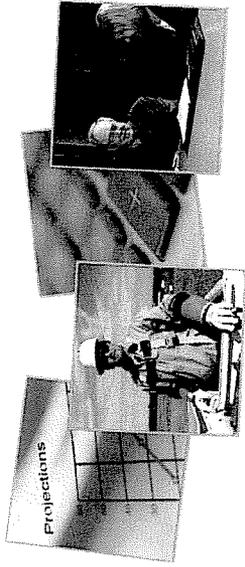
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Exhibitor: Sunny Orlando

Director Training

February 16-19, 2006 | Rosen Plaza Hotel

Today's world has boards and directors under increased scrutiny. It is now more important than ever for directors to know their roles and responsibilities and to have the knowledge and skills necessary to meet that scrutiny. NRECA's Pre-Annual Meeting Training is a great opportunity to brush up on your key skills and learn more about current issues in electric co-op governance.



Director Training Course Descriptions

2600.1 Director Duties and Liabilities (Revised 12/01/05)

Boards are responsible for directing the affairs of the corporation. This course, the first of the required courses in the NRECA Credentialed Cooperative Director (CCD) program, discusses and explains the duties of loyalty, obedience and due care, and the need for directors to acquire the minimum knowledge and skills necessary to fulfill their responsibilities within the cooperative context. **Fee: \$475**

2610.1 Understanding the Electric Business (Revised 12/01/05)

This course is designed to help directors understand that the electric utility industry is an evolving high-tech system that must be designed and engineered to meet regulatory and consumer standards for reliability, quality and safety. This requires an appropriate investment on a planned and on-going basis. This course provides directors with an understanding of the key components of the electric utility industry. **Fee: \$475**

2620.1 Board Roles and Relationships (Revised 12/01/05)

The success of the co-op is based on its ability to nurture and maintain effective relationships with consumers, community leaders, media, public officials and others. This course explains how the director and board each play a key role in developing plans and in implementing actions to maintain and manage these relationships. **Fee: \$475**

2630.1 Strategic Planning (Revised 12/01/05)

Boards have ultimate responsibility for ensuring and evaluating the long-term health of the organization. They help fulfill this duty by identifying goals through strategic planning and by authorizing the appropriate allocation of resources through the adoption of financial policies and by budget review and approval. This course teaches directors how to participate effectively in a strategic planning process. **Fee: \$475**

2640.1 Financial Decision Making (Revised 12/01/05)

This course is designed to help directors understand the role of the board in financial planning, including identifying the basic documents used in financial planning and reporting, assessing the issues that drive financial decisions, balancing competing goals, and taking responsibility to monitor and evaluate results. **Fee: \$475**

901.1 Rules and Procedures for Effective Board and Membership Meetings (Revised 2/2/04)

This course provides an overview of what directors should know about the rules of parliamentary procedure so they will be more effective participants in board meetings. Upon completion of this course, participants will understand the purpose and use of proper procedure in business meetings, and be generally familiar with the basic structure and content of *Robert's Rules of Order*. **Fee: \$475**

903.1 The Role of the Board Chair in Conducting Effective Meetings (Revised 12/14/04)

The board chair has the responsibility for organizing the meeting, creating a productive atmosphere allowing for the free exchange of opinion, presenting the issues to be resolved, bringing the decisions to resolution, and moving the cooperative forward. This one-day course will focus on the skills necessary to run an effective meeting, with group activities to practice handling common presiding problems. The material will be presented in a practical framework in compliance with *Robert's Rules of Order Newly Revised*, the parliamentary authority used by more than 95% of the groups in the United States. **Fee: \$475**

905.3 The 7 Habits of Highly Effective People (Revised 2/2/04)

For a cooperative to succeed, it must build a solid foundation of highly effective people who are working toward a common mission. With effective people come lasting results. This course helps participants to identify and eliminate behaviors that are keeping them from achieving superior results. Participants will learn to set goals and learn new ways of seeing, thinking, and acting so they not only reach, they actually surpass those goals. **Fee: \$1,095**

NOTE: This course requires completion of a survey by you, your peers, manager, or coworkers before the class starts. The results will be discussed during class. Directors enrolling two weeks prior to class may not have time to complete the survey. For directors who do not complete the survey in time, survey results can be mailed to their home address.

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914.1 Cooperative Communications and Public Opinion—

The Director's Perspective

Given the challenges of navigating through the evolving energy landscape, effective communications from the cooperative is an area of increasing importance. Whether it's communicating future rate increases or advertising your cooperative's participation in renewables, strong communication programs strengthen your identity with your consumers and build customer loyalty. This course guides participants as they explore the roles and responsibilities of directors with regard to communicating during a crisis or controversy and managing public opinion. **Fee: \$475**

915.1 Advocating the Cooperative Difference (Revised 8/9/04)

Grassroots advocacy is the cornerstone of the electric cooperative movement. It is especially effective when many individual electric cooperatives write letters and place phone calls to their elected government officials to express similar sentiments. Getting access to federal and state representatives and regulators is a challenge. This course gives directors the knowledge necessary to understand the legislative and regulatory processes and effectively promote their cause before these important bodies. This course also features the "Congressional Insight" simulation game. **Fee: \$475**

917.05 Creating a Political Action Plan—The Board's Role (Revised 8/9/04)

Federal, state and local representatives and regulators are extremely busy people. But it is as important as ever that the electric cooperative message be heard, understood and favorably considered. This course focuses on the board's role in the creation of a formal

Thursday, February 16

- 2600.1 Director Duties and Liabilities
- 2610.1 Understanding the Electric Business
- 925.1 Co-op Bylaws—Guiding Principles and Current Issues
- 929.1 Current Issues in Policy Development

Friday, February 17

- 2620.1 Board Roles and Relationships
- 924.1 Continuity Management and Emergency Response Planning for Directors
- 930.1 Ethics and Governance—Implementing the New Accountability
- 968.1 Advanced Rate Decisions—For Experienced Directors

Saturday, February 18

- 2630.1 Strategic Planning
- 901.1 Rules and Procedures for Effective Board and Membership Meetings
- 914.1 Cooperative Communications and Public Opinion—The Director's Perspective
- 915.1 Advocating the Cooperative Difference
- 951.2 Developing Effective Boardroom Decision Making (2 days—ends Noon Feb. 19)
- 967.1 Fundamentals of Energy Risk Management for Directors

Sunday, February 19

- 2640.1 Financial Decision Making
- 903.1 The Role of the Board Chair in Conducting Effective Meetings
- 917.05 Creating a Political Action Plan—The Board's Role (8:00 a.m.—Noon) and Emerging Technologies—What Every Director Needs to Know
- 923.1 New and Emerging Technologies—What Every Director Needs to Know
- 969.1 Advanced Energy Risk Management for Directors Making Power Supply Decisions

Director Training Schedule

All programs run from 8:00 a.m. – 4:00 p.m. except where noted. Registration opens at 7:00 a.m. daily.

plan to build and maintain relationships with federal, state and local officials so that they can be ready to address potential challenges. **Fee: \$250**

It is recommended that directors taking this course have completed course 915.1, Advocating the Cooperative Difference.



923.1 New and Emerging Technologies—What Every Director Needs to Know

The business of providing safe, reliable, and cost effective electrical service has never been more dependent upon technology. This course focuses on helping directors explore recent advancements in distribution system automation and information technology tools and how they help electric co-ops deliver superior service to their members. Through case study and interactive discussion, this course explores advancements in automated meter reading, SCADA technologies, broadband over power lines, and other technologies to help directors stay informed and educated. **Fee: \$475**



924.1 Continuity Management and Emergency Response Planning for Directors

Cooperatives are consistently subjected to the ongoing challenge of providing continuous service to their membership in the face of natural and man-made disasters. Whether it's a hurricane, tornado, or employee sabotage, directors play an increasingly important role in monitoring the activities of management to ensure that physical and IT assets are secure and safe. This course focuses on the fundamentals of disaster planning and recovery, showing how directors can fulfill the responsibility they have to their members by ensuring the continuity of electrical and business operations. **Fee: \$475**

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Director Training Course Descriptions Continued

925.1 Co-op Bylaws—Guiding Principles and Current Issues (Revised 12/01/05)

This course addresses the rights and expectations of cooperative members and the powers bestowed upon the board of directors to govern a business that is owned by the membership. It will enable directors to address these rights and expectations within the context of the co-op's Articles of Incorporation and applicable state laws and federal regulations. **Fee: \$475**

929.1 Current Issues in Policy Development (Revised 12/01/05)

The Sarbanes-Oxley Act of 2002 raises new questions and expectations regarding board duties, roles, and relationships with management and the membership. These expectations require boards to respond quickly and effectively to a wide range of issues. Among these are the fulfillment of the board's legal duties and responsibilities and how well the board uses policies to help the board and management fulfill the objectives of the system. Policies addressed in this course help to clarify what the board delegates to the manager and the board's expectations of management and staff in operating the cooperative. Participants will also learn how to use policies to strengthen the effectiveness of their board and its working relationship with other board members. **Fee: \$475**

930.1 Ethics and Governance—Implementing the New Accountability (Revised 1/5/05)

In the new era of cooperative accountability, boards and management are expected—and some cases required—to implement standards, programs, and procedures involving such issues as codes of conduct, document retention, whistle blower protection, fraud risk assessment, and financial transparency, but questions remain about how to actually implement such programs. This course is based on NRECA's 2004 Ethics and Governance workshops. It will present practical strategies to help co-ops design and develop plans and programs that address these new expectations. **Fee: \$475**

951.2 Developing Effective Boardroom Decision Making (Revised 2/2/04)

In the complex environment of today's electric industry, effective decision-making is a must. Directors need the tools to assess today's challenges and to determine the best choice for all involved. This course shows directors the techniques and skills needed to identify issues, hold constructive discussions, and resolve conflict so that satisfactory solutions can be reached. **Fee: \$700**

967.1 Fundamentals of Energy Risk Management for Directors

(Revised 2/2/04)

Changes in the deregulated wholesale energy business are affecting the knowledge and skills needed by cooperative managers, directors, and staff. Some co-ops may not be prepared to manage the complexities presented by the wholesale energy market, including the operational, credit and regulatory risks. Recent bankruptcies and financial malfeasance committed by leading energy suppliers have also drawn greater scrutiny to all aspects of wholesale energy transactions. This course provides an introductory overview for directors on the rules of power supply, including risk management, energy trading and the reliability of power supply contracts. **Fee: \$575**

968.1 Advanced Rate Decisions—For Experienced Directors (Revised 02/01/05)

This course is designed to enable directors to discuss and understand the complex issues that must be balanced when the board considers equity management and alternative rate philosophies and strategies. Through a set of case studies and problem situations, attendees will analyze and discuss such issues as equity goals, long-range revenue requirements, achieving fairness for multiple rate classes, and dealing with proposed rate increases. **Fee: \$475**
It is recommended that directors taking this course have completed course 2640.1 Financial Decision Making

969.1 Advanced Energy Risk Management for Directors Making Power Supply Decisions (Revised 2/2/04)

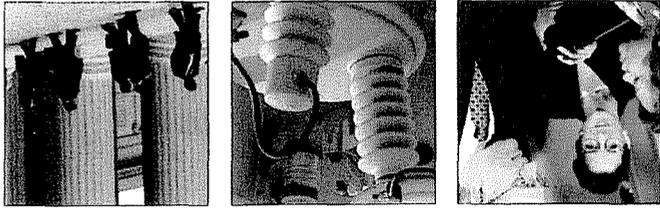
This course focuses on the importance of energy risk management policy. After completing the course, directors will understand why such a policy is critical to the success of a cooperative with wholesale power (or energy) supplier responsibilities. This course will assist directors in understanding what should be included in an energy risk management policy, including internal controls and procedures, necessary tools and resources, and appropriate governance and organizational structures. **Fee: \$575**
It is recommended that directors taking this course have completed course 967.1 Fundamentals of Energy Risk Management for Directors.

Register online at www.cooperative.com

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Legal Programs

NRECA's pre-Annual Meeting Legal Programs provide you with the strategies to manage the workplace and insights into the latest legislative, regulatory and judicial action. Our expert speakers will suggest practical and innovative solutions to help your co-op avoid costly litigation.



Workplace Law

Rosen Plaza Hotel
Friday, February 17
9:00 a.m. – 4:30 p.m.

This one-day, interactive workshop provides real life employment situations and applies them to the latest developments in labor and employment law. The program offers the nuts and bolts of legal issues for co-op attorneys, CEOs, employee relations specialists and human resource directors. Sessions address such areas as—

- Ten most common wage and hour law mistakes
- The Family and Medical Leave Act and how to make it work for you
- Harassment and discrimination developments
- Fair Labor Standards Act and how it applies to your co-op
- How labor unions "Change to Win" can affect your employee relations

Fee: \$495

Legal Seminar 46

Rosen Plaza Hotel
Saturday, February 18
8:00 a.m. – 4:30 p.m.

This 1 1/2 day seminar provides attorneys with substantive teaching on the current state of legal issues affecting electric co-ops. Topics covered by Legal Seminar 46 include—

- Electricity Modernization Act of 2005

- Renewable energy issues

- Electric co-op bylaws

- Roles of today's electric co-op director

- Attorney-client privilege after Enron

- Latest tax, finance and accounting issues

- Recent legal and regulatory developments

Legal Seminar 46 also provides great networking opportunities and a chance to share ideas and explore new strategies. The comprehensive seminar materials are provided as an authoritative reference manual—a great take-home tool for all attendees.

Fee: \$745

\$695 (ECBA Members)

Electric Cooperative Bar Association Annual Meeting

Rosen Plaza Hotel
Saturday, February 18
Noon – 2:00 p.m.

Straying from the traditional Sunday afternoon meeting, members of the Electric Cooperative Bar Association will hold their sixth Annual Meeting on Saturday, February 18. ECBA Chair Richard Tisinger, Sr., will conduct the business of the association during the luncheon break on the first day of the NRECA Legal Seminar. Following the business meeting, ECBA has invited a dynamic and well-respected keynote speaker to address ECBA members and guests. The ECBA Annual Meeting provides a great opportunity for you to network with fellow electric co-op attorneys from across the country. You won't want to miss it.

DON'T FORGET!

Individuals enrolling in director training, Workplace Law or Legal Seminar 46 must complete the Pre-Annual Meeting Training Registration Form on page 17 and the hotel reservation form on page 19.

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NRECA's 64th Annual Meeting

The power of the cooperative network is in full force at the Annual Meeting. Resolutions from the membership are passed at the business meeting, setting the course for the year ahead. World renowned speakers and cooperative leaders share valuable insights about our industry. Forums educate directors about critical issues. And co-ops that make a difference in their communities are spotlighted.

SUNDAY, FEBRUARY 19

Ecumenical Service—9:00 a.m.

Orange County Convention Center

We understand that the schedule of the Annual Meeting may offer challenges to the majority of our attendees who are accustomed to attending Sunday morning Christian worship services. While we can't replicate your home church communities here, we are pleased to offer an in-house interdenominational Christian church service to those attendees interested in worshiping in fellowship with their electric co-op friends. The Youth Leadership Council will provide musical selections as part of this program. Information on local services offered by other specific denominations and religions is available from your hotel concierge.

Dr. Jerry Pounds, Sr.
President, Truett-McConnell College
Cleveland, Georgia
John K. Brown
Recording Artist
Orlando, Florida



Congressional Action Center

Make the voice of electric cooperatives heard in the halls of Congress!

Sunday, February 19 – Wednesday, February 22
Orange County Convention Center

Your letters and emails will alert your elected officials on legislation affecting your co-op's future. Youth Leadership Council members will be on hand to assist you as well as showcase the "Take Action Network." Communicate with Congress using cutting-edge technology. You can also enter a drawing for great prizes!

Opens daily at 7:30 a.m.

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NISC Annual Meeting—10:30 a.m.

Orange County Convention Center

National Information Solutions Cooperative delivers advanced information technology solutions and services to electric cooperatives in 47 states. Join NISC's membership at the NISC 2006 Annual Meeting where President and CEO Vern Dosch will provide an update on Fiscal Year 2005 accomplishments and operations, including the status of our iVUE Accounting and Business, Customer Care and Engineering solutions for utilities. A 9:30 a.m. continental breakfast will precede the NISC Annual Meeting.

NRTC Annual Meeting—3:00 p.m.

Orange County Convention Center

Please join the National Rural Telecommunications Cooperative for its 2006 Annual Meeting. NRTC Chairman Ed Short and Secretary-Treasurer Terry Bruns will share the cooperative's Year 2005 accomplishments and financial results. President and CEO Bob Phillips will provide an update on WildBlue and other technology innovations planned for members in 2006. Voting for Districts 1, 8, 9, and 10 board seats will also be conducted at the meeting. Captain Scott O'Grady, an Air Force pilot who survived six days evading enemy soldiers in the war-ravaged Bosnia countryside, will be the featured speaker.



MONDAY, FEBRUARY 20

Opening General Session—8:30 a.m.

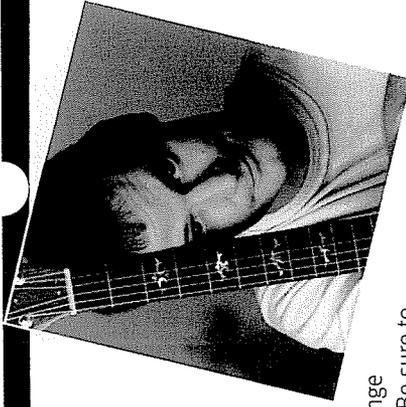
Orange County Convention Center

Enjoy the pageantry of the opening general session. Listen as NRECA Chief Executive Officer Glenn English reports to the membership about how NRECA is "Investing in the Future" for cooperatives. NRECA's Distinguished Service Award will be bestowed, and we'll hear one of the world's top communications specialists—Michael Sheehan. An advisor to presidents and business leaders, Sheehan will share his insights about effectively communicating the cooperative difference and the hard facts about challenges facing the entire electric industry.

Celebration Luncheon—Noon

The Peabody Orlando

Come honor the recipients of the 2006 National Electric Cooperative Community Service Award during this inspiring luncheon. Featured speaker Mike Rayburn, known as the "world's funniest guitar virtuoso," uses his astounding guitar creations, uproarious songs and simple tools to encourage, challenge and energize you to transform your co-op and your life. Be sure to order your tickets soon! The luncheon is growing in popularity and tickets go fast.



NCSC Annual Meeting—1:00 p.m.

The Peabody Orlando

National Cooperative Services Corporation's 2006 Annual Meeting will include addresses from NCSC President Robert Toombs and a guest speaker. There will be director elections for districts 1, 2, 3, 4 and 5.

NRECA Forums—2:45 p.m.

Orange County Convention Center

Educational forums drill down into a variety of critical subjects and prepare cooperative directors and staff members to be more effective at their jobs. An array of sessions will be presented. Watch for complete descriptions on cooperative.com.

Kenny Rogers Concert—8:00 p.m.

Orange County Convention Center

Kenny Rogers, one of country music's biggest stars, will take to the stage, performing such hits as *Coward of the County*, *Ruby Don't Take Your Love to Town*, *The Gambler*, *Lucille*, and many more.

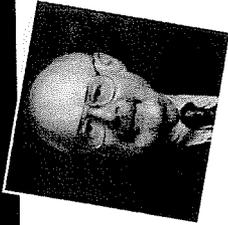
Ticket Fees:

\$35 (by January 26)

\$45 (after January 26)



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TUESDAY, FEBRUARY 21

Second General Session—8:30 a.m.

Orange County Convention Center

This jam-packed session will feature an address by NRECA President Ron Bergh outlining the accomplishments and challenges for the association. The Clyde T. Ellis Award will be presented, and the Rural Utilities Service will focus on the vital partnership between RUS and the cooperatives. We'll be inspired by the Youth Leadership Council presentation and energized during the Touchstone Energy Cooperatives annual meeting, in which a powerful series of new advertising and communication resources are unveiled. Touchstone Energy will also roll out the Power and Hope Employee Recognition program and present a tribute to cooperative heroes.

Business Session—10:30 a.m.

Orange County Convention Center

Resolutions from the membership are the lifeblood of NRECA – setting the priorities and goals for the member-focused association. Attend the annual business meeting to hear reports about the accomplishments and financial condition of the association and participate in the culmination of the resolutions process.

NRECA Forums—1:00 p.m.

Orange County Convention Center

Educational forums drill down into a variety of critical subjects and prepare cooperative directors and staff members to be more effective at their jobs. An array of sessions will be presented. Watch for complete descriptions on cooperative.com.

CFC Annual Meeting—2:30 p.m.

Orange County Convention Center

National Rural Utilities Cooperative Finance Corporation's 2006 Annual Meeting will include addresses from CFC President Jim Duncan and Governor and CEO Sheldon C. Petersen. Cal Ripken, Jr., baseball's most consecutive-games played legend, will be the CFC keynote speaker.



Federated Rural Electric Insurance Exchange Annual Meeting—4:30 p.m.

Orange County Convention Center

President and CEO Frank Fraas will address Federated's membership on progress made towards making safety a hallmark of the REC program. Senior Vice President of Finance and CFO Phil Irwin will review the Company's financials for 2005 and there will be director elections for Regions I, VIII, IX and X. Join us at our 2006 Annual Membership Meeting to hear more great news of our continuing success.

WEDNESDAY, FEBRUARY 22

18th Annual ACRE® Meeting & Breakfast—7:00 a.m.

Orange County Convention Center

Attend and show your support for ACRE®! Celebrate our accomplishments over the last year and learn about what to expect in 2006 as we head into the fall elections. Shuttle bus service will begin at 5:45 a.m. and entertainment starts at 6:30 a.m.

Closing General Session—8:30 a.m.

Orange County Convention Center

Don't miss the "Celebration of the Cooperative Spirit" during the last morning's general session. Learn how NRECA is helping light up the world through its International Programs. We'll shine the spotlight on those directors who have earned their Certified Cooperative Director designation and honor cooperative leaders who are making a difference in their communities.

Hear the intriguing inside story about the importance of accountability in the workplace from Sherron Watkins, the former Vice President of Enron Corporation who alerted then-CEO Ken Lay about accounting irregularities within the company.

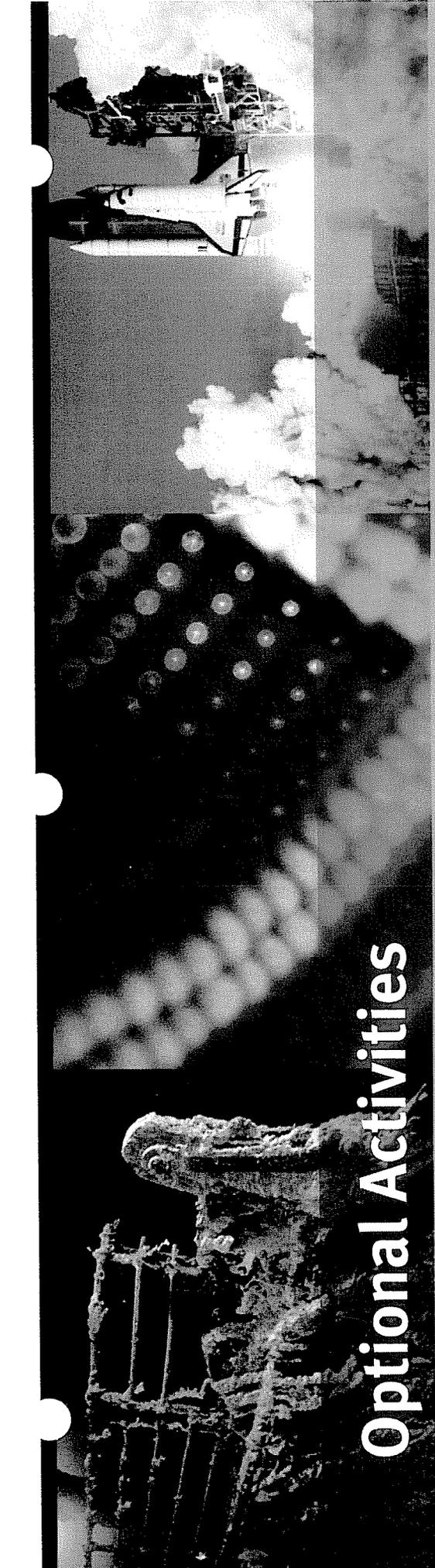


Onsite Registration

The Annual Meeting registration desk opens the following hours in the lobby of the Orange County Convention Center:

Date	Times
Saturday, February 18	8:00 a.m. – 5:00 p.m.
Sunday, February 19	7:30 a.m. – 5:00 p.m.
Monday, February 20	7:30 a.m. – 5:00 p.m.
Tuesday, February 21	7:30 a.m. – 5:00 p.m.
Wednesday, February 22	7:30 a.m. – Noon

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Optional Activities

Several optional activities have been arranged to enhance your trip to this year's Annual Meeting. These special events provide a perfect chance for your family and guests to explore Orlando. Register early as space is limited and reservations are accepted on a first-come, first-served basis. Registration for tours must be received by Saturday, January 21, 2006.

Kennedy Space Center**

Saturday, February 18, 2006 8:30 a.m. – 4:30 p.m.
Sunday, February 19, 2006 8:30 a.m. – 4:30 p.m.

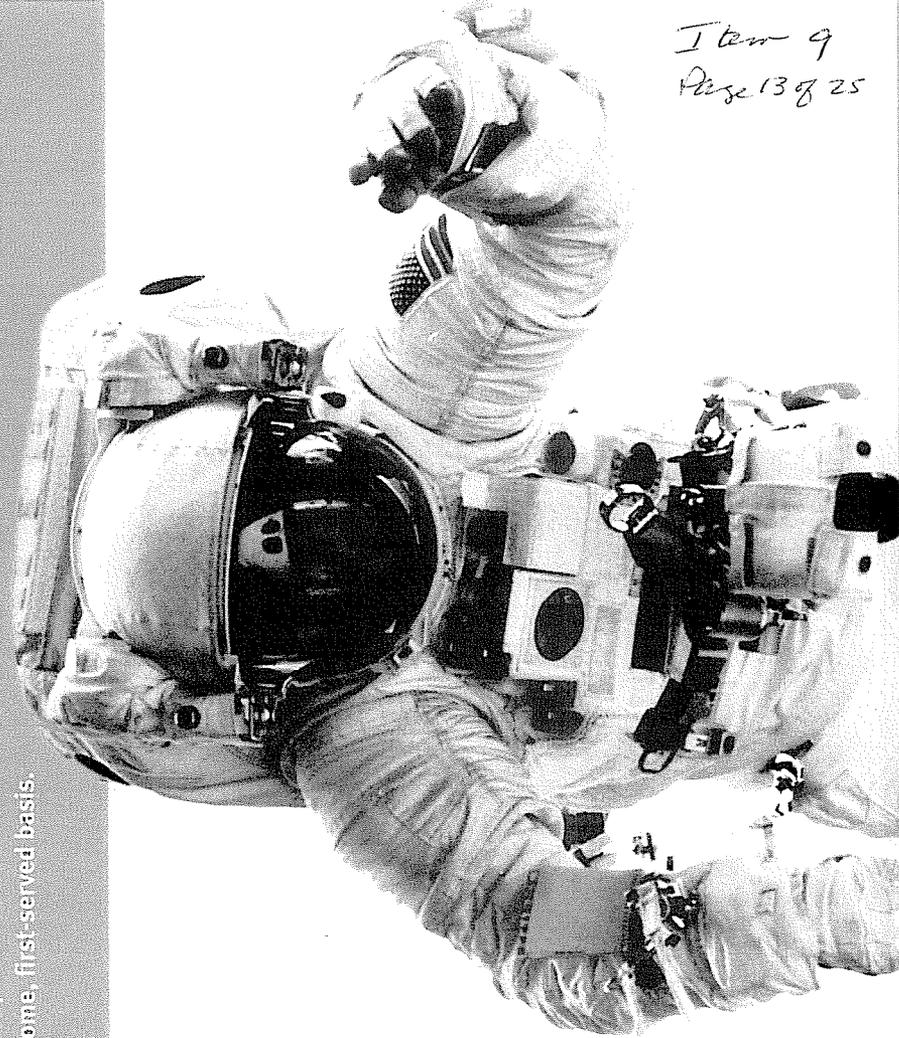
This tour of NASA's launch headquarters takes you deep into the operations of Kennedy Space Center. You'll visit the Observation Gantry where you'll have a close-up view of the Space Shuttle Launching Pads, the Rocket Garden where you'll see "Explorer," a full size shuttle orbiter, and the Vehicle Assembly Building, where the space shuttle is stacked. **\$62 per person.**

Kennedy Space Center & Lunch with an Astronaut*

Saturday, February 18, 2006 8:30 a.m. – 4:30 p.m.
Sunday, February 19, 2006 8:30 a.m. – 4:30 p.m.

This tour is the same as above, but includes a special addition of lunch with an astronaut. You'll hear first-hand accounts about space exploration while enjoying a delicious three-course lunch. **\$85 per person.**

* Tour may be cancelled due to a shuttle launch. Every effort will be made to allow guests to watch from an off-site location.



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Tiffany at Morse Museum, Winter Park

Saturday, February 18, 2006 11:00 a.m. – 4:00 p.m.
Tuesday, February 21, 2006 Noon – 5:00 p.m.

You'll have time to window shop and to catch a light lunch in Winter Park. Afterwards you'll visit the Charles Hosmer Morse Museum of American Art, home to the world's greatest collections of Tiffany art glass. The display includes major windows and architectural elements from Tiffany's Long Island estate and his 1893 chapel for the World's Columbian Exposition. **\$36 per person.**

Orange County Regional History Center

Saturday, February 18, 2006 1:00 – 5:00 p.m.
Tuesday, February 21, 2006 1:00 – 4:30 p.m.

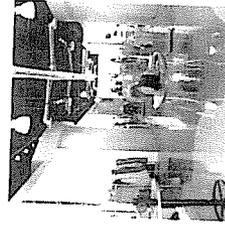
Set in the historic 1927 Orange County Courthouse, you'll learn about the Spanish influences, Native American culture, the environment, the space program and the rise of Florida's tourism. Look for a special appearance by a costumed live "Florida" character. **\$35 per person.**

Premium Outlet Mall Shopping*

Sunday, February 19, 2006 10:30 a.m. – 3:00/3:30 p.m.
Wednesday, February 22, 2006 Noon – 3:30 p.m.

The mall is home to 110 stores including Burberry, Coach, Carter's Children's Store, Giorgio Armani, Polo Ralph Lauren, Versace and more. You'll find savings of 25–65% off. You'll receive vouchers to redeem at the customer service desk for a VIP coupon book that features more than 50 special offers. You truly can shop until you drop. **\$20 per person.**

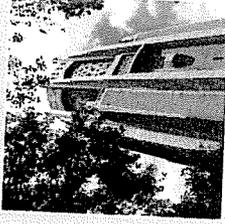
*For the Sunday, February 19 trip, a return trip to the convention center from the mall is scheduled for a 1:00 p.m. departure. The February 22 shopping expedition is shorter because it starts after the Annual Meeting adjourns.



Historic Bok Tower Sanctuary

Sunday, February 19, 2006 11:45 a.m. – 4:45 p.m.

Bok Tower (The Singing Tower) has one of the largest sets of carillons in the world—a 60-bell set. You'll arrive in time for a carillon concert. The surrounding gardens feature thousands of azaleas, camellias, magnolias and other flowers amidst a lush green background of ferns, palms, oaks and pines. Tour includes a guided walk in the gardens as well as a short time to visit the café to enjoy lunch on your own. **\$42 per person.**



Albin Polasek Museum & Gardens

Sunday, February 19, 2006 1:00 – 5:00 p.m.
Monday, February 20, 2006 1:00 – 5:00 p.m.

Known as Winter Park's best kept secret, the Albin Polasek Museum is a showcase to view the works and private collection of internationally known Czech-American sculptor, Albin Polasek. The museum includes three acres of gardens containing large sculpture pieces and four galleries housing additional works. Highlights of the collection include a majestic painting from the Reubens School and a 17th century Flemish tapestry *The Kindness of Rebecca*. **\$28 per person.**



Orlando Museum of Art & Mennello American Folk Art Museum

Sunday, February 19, 2006 1:00 – 5:00 p.m.
Tuesday, February 21, 2006 1:00 – 5:00 p.m.
Wednesday, February 22, 2006 1:00 – 5:00 p.m.

The Orlando Museum of Art plays host to a landmark exhibition that opened at the Guggenheim Museum in New York to record crowds—*The Art of Motorcycles*. The exhibit showcases more than 70 historic and contemporary bikes, and explores the motorcycle as both cultural icon and design achievement. You'll also tour the Mennello Museum of American Folk Art, created to house and exhibit the paintings of folk painter Earl Cunningham. **\$38 per person.**

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How to Sign Up

Complete the enclosed Optional Activities Registration form on page 25

and return it, along with your payment to:

PGL/NRECA Orlando
ATTN: NRECA Tours
4203 Vineland Road, Suite K-7
Orlando, FL 32811
Fax: 407.835.1735

Deadline for booking tours is **Saturday, January 21, 2006**. Onsite registration is subject to space availability. You are encouraged to register early to obtain your preferred tour selections. All requests are processed on a first come, first served basis. You will be mailed a confirmation letter after submitting your registration form and payment. This confirmation letter will serve as your "ticket" for all tours.

ONLINE REGISTRATION You can register online with a credit card payment. Visit the Annual Meeting section of www.cooperative.com.

Tour Cancellation and Refunds

No refunds for cancellations will be issued after **Saturday, January 21, 2006**. Full refunds, less 15% cancellation handling fee, will be given to persons submitting refund requests to PGL/NRECA Orlando no later than **Saturday, January 21, 2006**. Some activities are subject to cancellation if minimum participation requirements are not met. Cancellation of tours will result in a complete refund for that tour.

Tour Departures

All tours depart from the Convention Center. Look for the PGL/NRECA Orlando guide with the tour sign.

Special Assistance

You are responsible for notifying PGL of any special services you require in connection with any of the tours. Please attach a written description of your needs to your registration form. We cannot assure the availability of appropriate accommodations without prior notification.

Tour Questions?

For additional information contact:
PGL/NRECA Orlando
Tel: 407.835.9228
e-mail: DestinationOrlando@pgl.com

Team 9
PGL 2/21/06

The Mall at Millennia Shopping

Monday, February 20, 2006 Noon – 4:30/5:00 p.m.

Enjoy world-class shopping and dining. Department stores Neiman Marcus, Bloomingdale's, and Macy's await you as well as a dazzling selection of stores including Cartier, Gucci, Chanel and Tiffany & Co. Each guest will receive a Signature Reward booklet. This booklet features over 50 offers from the mall retailers. Guests will also receive a small premium gift. **\$20 per person**



Wolfgang Puck Cooking Class and Lunch

Monday, February 20, 2006 12:15 – 4:30 p.m.

Hosted at the Wolfgang Puck Café, your class begins with a brief history of Wolfgang Puck and an overview of the restaurants "Live, Love, Eat" philosophy. The class focuses on preparing Sushi, Chinese Chicken Salad, Wild Mushroom Tortellini and the best way to caramelize Crème Brûlée. After lunch, you'll have time to explore and shop at Downtown Disney West. **\$86 per person.**

Beads, Glorious Beads—Jewelry by Basic Stringing

Monday, February 20, 2006 12:30 – 4:45 p.m.

Tuesday, February 21, 2006 12:30 – 4:45 p.m.

This three-hour session is a fun way to explore your creativity. Learn the elements of design, including basic stringing, color combinations, the use of feature, accent and filler beads, and how to select an appropriate clasp for any project. You'll be offered a selection of beads so that you may let loose your creative imagination and design your own bracelet. **\$61 per person.**

Titanic—Ship of Dreams

Monday, February 20, 2006 1:00 – 3:30 p.m.

Visit the world's first "permanent" Titanic exhibit. The magic of cutting-edge technology, full-scale scenic environments, re-creations of rooms from the ship and live interactive interpretations by storytellers in period costumes bring this story to life. This exhibit includes over 200 priceless authentic artifacts and movie memorabilia. Each guest will be given a name of a passenger that can be checked against a manifest for the fate of that person. **\$30 per person.**

Accommodations

Pre-Annual Meeting Training Hotel Reservations

Use this form if you are attending:

- Director Training
- Workplace Law
- Legal Seminar 46

Complete the housing form located on page 19 to reserve your room.

THE ROSEN PLAZA HOTEL

9700 International Drive
Orlando, FL 32819

PHONE: 407.996.9700

RATE: \$199 Single/Double

RESERVATION DEADLINE: January 16, 2006

MAIL: NRECA Housing Bureau
11212 Waples Mill Road, Suite 104
Fairfax, VA 22030

FAX: 703.631.7258

QUESTIONS: For questions about the hotel, legal program content, director training and registration, call 866.673.2299.

HOTEL RESERVATION FORMS

Pre-Annual Meeting Training – Page 19
Annual Meeting – Page 23

ONLINE HOTEL RESERVATIONS

www.cooperative.com

Annual Meeting Hotel Reservations

NRECA Housing Bureau directions are listed below.

Do not use this reservation service if:

- You are a member of the NRECA Board of Directors, Standing Committees, Statewide official (president, manager, editor)
- You are reserving a room through your statewide organization
- You are attending the Pre-Annual Meeting Training (see page 19 or visit www.cooperative.com)
- You are attending TechAdvantage 2006 (visit www.techadvantage.org)

The NRECA Housing Bureau will assist you with individual reservations at the Sheraton Safari Hotel. The hotel is approximately 7 miles from the Orange County Convention Center. Complimentary shuttle service will be available to and from this hotel by NRECA.

SHERATON SAFARI HOTEL

12205 Apopka-Vineland Rd.
Lake Buena Vista, FL 32836

ROOM RATE: \$129 Single/Double

HOUSING DEADLINE: January 16, 2006 or until rooms are sold out

ONLINE RESERVATION: www.cooperative.com

FAX: 703.631.7258 (must complete the Hotel reservation form on page 23)

Please direct questions to nrecahousing@ispargo.com or call 703.449.6418. On **January 16, 2006**, NRECA Housing Bureau will close. If you wish to make a reservation you may call the official NRECA hotels listed directly.

Please note: Hotel phone reservations made after January 16, 2006, may result in higher room rates.

Event Locations ORANGE COUNTY CONVENTION CENTER

West Building

9800 International Drive
Orlando, FL 32819

- ACRE Breakfast
- Business Session
- CFC Annual Meeting
- Congressional Action Center
- Ecumenical Service
- Entertainment Night
- Federated Rural Electric Insurance Exchange Annual Meeting
- Forum Sessions
- General Sessions
- NISC Annual Meeting
- NRTC Annual Meeting
- Registration
- TechAdvantage 2006 Expo
- Technology Showcase 2006
- Tours

ROSEN PLAZA HOTEL

9700 International Drive
Orlando, FL 32819

- ECBA Annual Meeting
- Pre-Annual Meeting Director Training
- Legal Programs

THE PEABODY ORLANDO

9801 International Drive
Orlando, FL 32819

- Celebration Luncheon
- NCSC Annual Meeting
- Standing Committee Meetings

ROSEN CENTRE HOTEL

9840 International Drive
Orlando, FL 32819

- RUS Electrical Engineering Workshop
- TechAdvantage 2006 Conference

You'll find a complete list of NRECA Annual Meeting hotels and their distance from the convention center on www.cooperative.com.

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✈️ Gates 100 thru 129

General Information

Transportation & Parking

The major gateway to Orlando is Orlando International Airport, which is just a 25-minute drive (10 miles) to the Orange County Convention Center. Specially discounted airfares and rental car rates and parking information are available to Annual Meeting attendees. Visit the NRECA Annual Meeting section of cooperative.com for full details.

Restaurant Reservations & City Information

For recommendations to the city's best cuisine, stop by the Orlando CVB Mobile Restaurant and Guest Services booth, located in the lobby area of Hall E-F at the Orange County Convention Center. You'll be able to secure your reservations at the booth. You'll also find discount tickets to some of Orlando's top attractions and area maps. Visit www.orlandoinfo.com for details.



Medical Services

In case of emergency, the nearest medical facilities are:

Florida Hospital

601 E Rollins Street
Orlando, FL 32803
407.303.1976

Health Central

10000 W Colonial Drive
Ocoee, FL 34761
407.296.1800

Orlando Regional Medical Center

1414 Kuhl Avenue
Orlando, FL 32806
321.841.8752

Medical Equipment Rentals

Scooter and wheelchair rentals are available by contacting ScootARound, 1.888.441.7575, by e-mail at info@scootaround.com.

WHEELCHAIR RENTAL:

\$105/Week

SCOOTER RENTAL:

\$150 (3-day minimum)/\$200/Week

For convention center deliveries only, there is a daily rate of \$50.

One to two week advance reservations are encouraged. A \$50 deposit is required on a credit card, non-refundable with cancellation, but will be used toward the final charge upon return of the equipment. Only Visa and MasterCard are accepted for payment. All prices include delivery and pick-up at hotel and convention center.

Airport Shuttle Service

Mears Transportation Group

Round trip shuttle service will be available between Orlando International Airport and Orlando hotels and the convention center. Depending on your destination, the fees are:

ONE-WAY \$16-18/adult

ROUND-TRIP \$26-30/adult

For return service to the airport, check with your hotel concierge for information and advance notice details. For a wheelchair accessible van, call 407.423.5566 or 800.759.5219 for reservations or online at www.mearstransportation.com.

For online reservations, use code 25876111 for round trip discounts.



COOPERATIVE.COM

Visit cooperative.com for the most up-to-date Annual Meeting news. You'll find:

- Annual Meeting Schedule
- Program News
- Registration Forms
- Hotel Reservation Forms
- Online Registration
- Ticket Sales
- Registration & Badge Policy
- Airline & Rental Car Discounts
- Airport Shuttle Service Details
- Onsite Registration Schedule
- Map of Official Hotels

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Registration

You have three ways to register for the Annual Meeting:

Online www.cooperative.com

Fax 703.907.5951

Mail Complete the enclosed registration form and return with payment in the enclosed envelope to:

NRECA, P.O. Box 758777, Baltimore, MD, 21275-8777

Registrations and payments must be received by **January 26, 2006**

to guarantee timely return of badges.

NOTE: If you fax your registration form using a credit card payment, **DO NOT** mail the form to NRECA. You could be charged twice.

Registration Policy

Complimentary registration is available for:

- Spouses of individuals representing a system as a director or employee or exhibitor
- Retirees who were formerly managers, directors or employees of NRECA member systems

- Sergeants-at-Arms on duty at the meeting

- Children (under 16 years of age) of official registrants

- Government agency officials, outside news media and NRECA official guests.

Please visit cooperative.com for NRECA's complete registration policy.

Substitution & Cancellation Policy

Refunds are not available for Annual Meeting registration fees. However,

substitutions are welcome. The fee can also be applied as a credit to the system for an NRECA conference or sponsored training program (not an Annual or Regional Meeting) held within 365 days. All changes must be made in writing.

Contact NRECA Membership Support Services, 703.907.5868 or membership@nreca.coop.

Annual Meeting Fees

Early Bird Rate	\$475 (by January 26, 2006)
Regular Rate	\$525
One-Day Rate	\$195
TechAdvantage Expo*	Free (with paid registration)

* Systems' voting delegates, directors or other elected officials are not permitted to register as exhibitors

Pre-Annual Meeting Training Fees

Workplace Law	\$495
Legal Seminar 46	\$745 (\$695 for ECBA Members)
Director Training	\$475 per course (except courses listed below)
905.3 The 7 Habits of Highly Effective People	\$1095
917.05 Creating a Political Action Plan—The Board's Role	\$250
951.2 Developing Effective Boardroom Decision Making	\$700
967.1 Fundamentals of Energy Risk Management for Directors	\$575
969.1 Advanced Energy Risk Management for Directors	\$575
Making Power Supply Decisions	

Tickets Fees

Early Bird (By Jan. 26, 2006)	Regular (After Jan. 26, 2006)
ACRE Breakfast	\$15
Celebration Luncheon	\$42
Entertainment Night	\$35
	\$45

All sales are final. All tickets sold in advance will be mailed to you prior to the meeting.

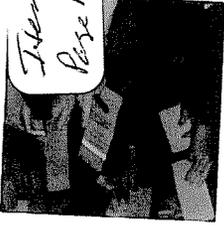
Voting Delegate Certification & Credentials

Each NRECA voting member will be mailed a packet that includes:

- An "Official Voting Delegate Certification" form with the names of the Voting and Alternate Delegates

- Voting instructions
- Deadline for submitting form

NRECA Voting Delegate Desk will be located in the registration area. Delegates must register in advance or onsite and receive their badge before receiving voting credentials and ribbon. Delegates must bring the credentials to the NRECA Business Session to vote at the meeting.





Registration Form—Pre-Annual Meeting Training

February 16–19, 2006 | Rosen Plaza Hotel

Hotel Accommodations—See Page 19!

All pre-Annual Meeting training programs will be held at the Rosen Plaza Hotel. Use the hotel reservation form on page 19 to make your reservations.

1. TELL US WHO YOU ARE (use one form per registrant)

NAME _____ TITLE _____

COMPANY _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ FAX _____

E-MAIL _____

3. METHOD OF PAYMENT

- Check (payable to **NRECA**) Bill Me*
- AMEX Discover MasterCard Visa

CARD # _____ EXP. DATE _____

CARDHOLDER NAME _____ VALIDATION # _____

AUTHORIZED SIGNATURE _____ DATE _____

*You'll receive an invoice within 2 weeks. Customary net 30 payment terms apply

4. RETURN FORM TO

Mail NRECA
 P.O. Box #758777
 Baltimore, MD 21275-8777

Fax 703.907.5951

Online www.cooperative.com

Questions? 866.673.2299

SUBSTITUTION & CANCELLATION POLICY

All changes must be made in writing. Cancellations received by February 1, 2006 are fully refundable. Cancellations received after February 1, 2006 will be issued a refund minus \$150 material fee. Substitutions are welcome. No-shows are responsible for paying the full registration fee. For more information regarding cancellations and refunds, please contact Membership & Association Support Services, 703.907.5868 or membership@nreca.coop.

2. SELECT TRAINING

February 16, 2006

- 2600.1 Director Duties & Liabilities \$475
- 2610.1 Understanding The Electric Business..... \$475
- 925.1 Co-op Bylaws—Guiding Principles & Current Issues \$475
- 929.1 Current Issues in Policy Development..... \$475

February 17, 2006

- 2620.1 Board Roles & Relationships \$475
- 905.3 The 7-Habits of Highly Effective People (3 days) \$1095
- 924.1 Continuity Management & Emergency Response Planning \$475
- 930.1 Ethics & Governance—Implementing The New Accountability \$475
- 968.1 Advanced Rate Decisions—For Experienced Directors \$475
- 203.1 Workplace Law \$495

February 18, 2006

- 2630.1 Strategic Planning \$475
- 901.1 Rules & Procedures For Effective Board & Membership Meetings \$475
- 914.1 Co-op Communications & Public Opinion \$475
- 915.1 Advocating The Cooperative Difference \$475
- 951.2 Effective Boardroom Decision Making (2 days) \$700
- 967.1 Fundamentals of Energy Risk Management \$575
- 634.1 Legal Seminar 46 (1-1/2 days) \$745 (for ECBA Members) \$695

February 19, 2006

- 2640.1 Financial Decision Making \$475
- 903.1 The Role of The Board Chair in Conducting Effective Meetings \$475
- 917.05 Creating a Political Action Plan—The Board's Role \$250
- 923.1 New & Emerging Technologies \$475
- 969.1 Advanced Energy Risk Management \$575

Hotel Reservation Form—Pre-Annual Meeting Training

February 16–19, 2006 | Rosen Plaza Hotel

Use this form only if you are attending Directors Training, Workplace Law or Legal Seminar 46.

Must be received by 5:00 p.m. EST, January 16, 2006

1. SEND CONFIRMATION TO

NAME _____

COMPANY _____

ADDRESS _____

CITY _____ STATE _____

COUNTRY (IF NOT THE U.S.) _____ POSTAL CODE _____

PHONE _____ FAX _____

E-MAIL _____

The Housing Bureau will send an acknowledgement to the person named above.

2. HOTEL INFORMATION

Rosen Plaza Hotel 9700 International Drive, Orlando, FL 32819
 • \$199 Single/Double • 1 Block from Convention Center

I have a disability requiring special services Non-smoking room

SPECIAL REQUESTS _____

To request a hospitality suite or meeting space, please contact Wee Thansom at 703.907.5830 or e-mail wxt0@nreca.coop.

3. METHOD OF PAYMENT

Check payable to **your assigned hotel** enclosed Money Order Credit Card

CREDIT CARD AUTHORIZATION: The hotel is authorized to use the credit card information shown below to confirm my hotel room reservations. All information must be completed below to process.

AMEX Discover MasterCard Visa Diners

CARD # _____ EXP DATE _____

CARDHOLDER NAME _____

AUTHORIZED SIGNATURE _____ DATE _____

RETURN FORM TO

Mail NRECA Housing Bureau
11212 Waples Mill Rd, Suite 104
Fairfax, VA 22030

Fax 703.631.7258

Online www.cooperative.com

Questions? For questions only call
703.449.6418
nrecahousing@ispargo.com

PLEASE NOTE

Use **ONE** method to contact housing bureau—multiple contacts will result in duplicate reservations and duplicate charges.

Please book all reservations through the **NRECA Housing Bureau**. Failure to do so will result in additional charges and disqualifies you from receiving discounted block rates established through NRECA contracts. Rates listed do not include state or occupancy tax.

DEPOSIT: A payment of the first night's room rate is required for *each* reservation listed on this form.

ATTENTION: Should check/money order deposits be necessary, they cannot be accepted until hotel assignments are made and confirmed to you. Check/money order *must be made payable to your assigned hotel* (U.S. funds drawn on U.S. bank) and mailed to the address above upon hotel assignment confirmation. Credit Cards will be charged the deposit fee when the hotel receives the rooming list from the Housing Bureau. If you cancel after *January 16, 2006*, your deposit will not be refunded.

4. TRAINING ATTENDEES ONLY

	LAST NAME, FIRST NAME <i>(Bracket those sharing rooms)</i>	ROOM TYPE <i>(Single/Double)</i>	ARRIVAL DATE	DEPARTURE DATE
1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____

If you need more than three rooms or will be using more than one credit card for deposits, copy this form.

Registration Form—NRECA Annual Meeting

February 20–22, 2006 | Orange County Convention Center

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REGISTRATION TYPE

- A – Attorney
- D – Director
- F – Marketing/Member Service
- P – Purchasing/Materials Mgmt
- G – Guest (free)
- M – CEO/General Manager
- E – Engineering/Operations
- H – Admin/General Mgmt
- O – Other Employees
- S – Spouse

1. TELL US WHO YOU ARE

CONTACT NAME _____

COMPANY _____

MAILING ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ FAX _____

E-MAIL _____

2. ANNUAL MEETING ATTENDEES

NAME <small>(Last name first)</small>	NICKNAME FOR BADGE	TITLE FOR BADGE <small>(ABBREVIATE IF POSSIBLE)</small>	SPECIAL SERVICES CHECK HERE	# OF ACRE BREAKFAST TICKETS	# OF LUNCHEON TICKETS	# OF KENNY ROGERS TICKETS	REG. TYPE <small>(USE LETTERS ABOVE)</small>
1. _____							
2. _____							
3. _____							
4. _____							
5. _____							
6. _____							
7. _____							
8. _____							
9. _____							
10. _____							
11. _____							
12. _____							
13. _____							
14. _____							
15. _____							
16. _____							
17. _____							
18. _____							
19. _____							
20. _____							



Special Services—Indicate above in the space provided by their name if any delegates are disabled or require special services. NRECA will call your system for details.

3. REGISTRATION INFORMATION

	Early Bird Rate <small>By Jan. 26, 2006</small>	Regular Rate <small>After Jan. 26, 2006</small>
_____ Meeting Registrations at	<input type="checkbox"/> \$475 each	<input type="checkbox"/> \$525 each
_____ One-Day Registrations at	<input type="checkbox"/> \$195 each	<input type="checkbox"/> \$195 each
_____ ACRE Breakfast Tickets* at	<input type="checkbox"/> \$15 each	<input type="checkbox"/> \$18 each
_____ Celebration Luncheon Tickets at	<input type="checkbox"/> \$42 each	<input type="checkbox"/> \$45 each
_____ Kenny Rogers Tickets at	<input type="checkbox"/> \$35 each	<input type="checkbox"/> \$45 each

All ticket sales are final. Registration refunds not available—see Substitution & Credit Policy.
 * Payments received from cooperative or corporate funds for the ACRE Breakfast will be deposited into the Good Government Golf Fund (GGGF). Contributions to the GGGF are not tax deductible as charitable contributions.

4. METHOD OF PAYMENT

Check (payable to NRECA) Bill me* AMEX Discover MasterCard Visa

CARD # _____ EXP DATE _____

CARDHOLDER NAME _____ VALIDATION # _____

AUTHORIZED SIGNATURE _____ DATE _____

5. RETURN FORM TO

Mail NRECA
 P.O. Box #758777
 Baltimore, MD 21275-8777

Fax 703.907.5951

Online www.cooperative.com

Questions? 866.673.2299

SUBSTITUTION & CREDIT POLICY

Refunds are not available for Annual Meeting registration fees. However, substitutions are welcome. The fee can also be applied as a credit to the system for an NRECA conference or sponsored training program (not an Annual or Regional meeting) held within 365 days. All changes must be made in writing. Contact NRECA's Membership & Association Support Services, 703.907.5868 or

Hotel Reservation Form—NRECA Annual Meeting

Orlando, Florida

Must be received by 5:00 p.m. EST, January 16, 2006

DO NOT USE THIS FORM IF

- You are a member of the NRECA Board of Directors, Standing Committees, or a Statewide Official (President, Manager or Editor).
- Your Statewide organization has a block of rooms and you intend to take housing through them.
- You plan to attend the Pre-Annual Meeting Training at the Rosen Plaza or the TechAdvantage Conference at the Rosen Centre.

RETURN FORM TO

Mail NRECA Housing Bureau
11212 Waples Mill Rd, Suite 104
Fairfax, VA 22030

Fax 703.631.7258

Online www.cooperative.com

Questions? For questions only call
703.449.6418
nrecahousing@ispargo.com

1. SEND CONFIRMATION TO

NAME _____

COMPANY _____

ADDRESS _____

CITY _____ STATE _____

COUNTRY (IF NOT THE U.S.) _____ POSTAL CODE _____

PHONE _____ FAX _____

E-MAIL _____

The Housing Bureau will send an acknowledgement to the person named above.

PLEASE NOTE

Use ONE method to contact housing bureau—multiple contacts will result in duplicate reservations and duplicate charges.

Please book all reservations through the NRECA Housing Bureau. Failure to do so will result in additional charges and disqualifies you from receiving discounted block rates established through NRECA contracts. Rates listed do not include state or occupancy tax.

2. HOTEL INFORMATION

Sheraton Safari 12205 Apopka-Vineland Rd, Lake Buena Vista, Florida 32836

- \$129 Single/Double
- 8 Miles from Convention Center

I have a disability requiring special services Non-smoking room

SPECIAL REQUESTS _____

DEPOSIT: A payment of the first night's room rate is required for *each* reservation listed on this form.

ATTENTION: Should check/money order deposits be necessary, they cannot be accepted until hotel assignments are made and confirmed to you. Check/money order *must be made payable to your assigned hotel* (U.S. funds drawn on U.S. bank) and mailed to the address above upon hotel assignment confirmation. Credit Cards will be charged the deposit fee when the hotel receives the rooming list from the Housing Bureau. If you cancel after *January 16, 2006*, your deposit will not be refunded.

3. METHOD OF PAYMENT

Check payable to **your assigned hotel** enclosed Money Order Credit Card

CREDIT CARD AUTHORIZATION: The hotel is authorized to use the credit card information shown below to confirm my hotel room reservations. All information must be completed below to process.

AMEX Discover MasterCard Visa Diners

CARD # _____ EXP DATE _____

CARDHOLDER NAME _____

AUTHORIZED SIGNATURE _____ DATE _____

4. ANNUAL MEETING ATTENDEES

	LAST NAME, FIRST NAME <i>(Bracket those sharing rooms)</i>	ROOM TYPE <i>(Single/Double)</i>	ARRIVAL DATE	DEPARTURE DATE
1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____

If you need more than three rooms or will be using more than one credit card for deposits, copy this form.

Optional Activities Registration Form

Register now to reserve your space on selected tours. The pre-registration deadline is due immediately to ensure your priority, but no later than **January 21, 2006**. Registration forms received after this date and any on site registration will be processed on a space available basis.

1. SELECT TOUR				
TOUR DATE & NAME	TIME	PRICE PER PERSON	QTY.	TOTAL PRICE
SATURDAY, FEBRUARY 18, 2006				
<input type="checkbox"/> Kennedy Space Center	8:30 am – 4:30 pm	\$62		
<input type="checkbox"/> Kennedy Space Center/Lunch Astronaut	8:30 am – 4:30 pm	\$85		
<input type="checkbox"/> Charles Hosmer Morse Museum/Tiffany	11:00 am – 4:00 pm	\$36		
<input type="checkbox"/> Orange County Regional History Center	1:00 – 5:00 pm	\$35		
SUNDAY, FEBRUARY 19, 2006				
<input type="checkbox"/> Kennedy Space Center	8:30 am – 4:30 pm	\$62		
<input type="checkbox"/> Kennedy Space Center/Lunch Astronaut	8:30 am – 4:30 pm	\$85		
<input type="checkbox"/> Premium Outlet Mall Shopping	10:30 am – 3:30 pm	\$20		
<input type="checkbox"/> Historic Bok Tower Sanctuary	11:45 am – 4:45 pm	\$42		
<input type="checkbox"/> Albin Polasek Museum & Gardens	1:00 – 5:00 pm	\$28		
<input type="checkbox"/> Orlando Art Museum/Mennello Folk Art	1:00 – 5:00 pm	\$38		
MONDAY, FEBRUARY 20, 2006				
<input type="checkbox"/> The Mall at Millenia Shopping	Noon – 5:00 pm	\$20		
<input type="checkbox"/> Wolfgang Puck Cooking Class & Lunch	12:15 – 4:30 pm	\$86		
<input type="checkbox"/> Beads, Glorious Beads—Jewelry Making	12:30 – 4:45 pm	\$61		
<input type="checkbox"/> Albin Polasek Museum & Gardens	1:00 – 5:00 pm	\$28		
<input type="checkbox"/> Titanic—Ship of Dreams	1:00 – 3:30 pm	\$30		
TUESDAY, FEBRUARY 21, 2006				
<input type="checkbox"/> Charles Hosmer Morse Museum/Tiffany	11:00 am – 4:00 pm	\$36		
<input type="checkbox"/> Beads, Glorious Beads—Jewelry Making	12:30 – 4:45 pm	\$61		
<input type="checkbox"/> Orange County Regional History Center	1:00 – 4:30 pm	\$35		
<input type="checkbox"/> Orlando Art Museum/Mennello Folk Art	1:00 – 5:00 pm	\$38		
WEDNESDAY, FEBRUARY 22, 2006				
<input type="checkbox"/> Premium Outlet Mall Shopping	Noon – 3:30 pm	\$20		
<input type="checkbox"/> Orlando Art Museum/ Mennello Folk Art	1:00 – 5:00 pm	\$38		
TOTAL AMOUNT DUE				\$

2. OPTIONAL ACTIVITY ATTENDEE

NAME(S) _____
 NAME(S) _____
 NAME(S) _____
 NAME(S) _____
 DAYTIME PHONE _____
 COMPANY NAME _____
 E-MAIL ADDRESS _____ FAX NUMBER _____

4. RETURN FORM TO

Mail PGI/NRECA Orlando
 ATTN: NRECA Tours
 4203 Vineland Road, Ste. K-7
 Orlando, FL 32811

Fax 407.835.1735

Attn: NRECA Tours

SPECIAL SERVICES

Contact PGI directly of any special services you require in connection with any of the tour. For questions, call 407.835.9228 or e-mail phickman@pgi.com.

3. METHOD OF PAYMENT

Check (payable to PGI) CHECK # _____

AMEX Discover MasterCard Visa Diners

CARD # _____ EXP DATE _____

CARDHOLDER NAME _____

AUTHORIZED SIGNATURE _____ DATE _____

ADDRESS (where credit card statement is mailed) _____

AUTHORIZATION FOR CREDIT CARD

I, _____ hereby authorize PGI contracted by the National Rural Elec Cooperative Association for their 2006 program, to charge credit card \$ _____ for the indicated tours. The issuer of the card identified on this form is authorized to pay the amount shown as TOTAL. I promise to pay such TOTAL (together with any charges due therein) subject to an in accordance with the agreement governing the use of such card. signature on this order form authorizes PGI to charge my credit card number listed on this registration form for the amount shown as TOTAL. I understand this charge will appear on n

NRECA Annual Meeting Contacts

Questions about NRECA's Annual Meeting?

Contact NRECA at 866.673.2299 or visit www.cooperative.com for meeting details. The following people can also help you:

ANNUAL MEETING REGISTRATION

Cooperative.com
 Registration (questions only)
 Julia Hockett 703.907.5905

ECBA Annual Meeting
 Denise Davenport 703.907.5783

Director Training
 Janet Bowers 703.907.5622

Legal Seminar 46/Workplace Law
 Erik Dahlseid 703.907.6101

TechAdvantage™ Conference
 Valerie Parks 703.907.5578

TechAdvantage™ Expo
 Diane Custodio 703.907.6073

Technology Showcase
 Janine Weidow 703.907.5666

EVENT CONTACTS

ACRE Breakfast
 Mike Whelan 703.907.5826

Celebration Luncheon
 Jeff Blackwood 703.907.5799

Convention Center Activities
 Robin Slye 703.907.5647

& Equipment Requests
 Jamie Parrott 703.907.5918

Entertainment Night Tickets
 Sandy Henderson 703.907.5582

Headquarter Activities
 PGI 407.835.9228

Optional Activities/Tours
 NISC 703.907.5582

NRECA ANNUAL MEETING

Congressional Action Center
 Randy Dwyer 703.907.5850

International Programs
 Ingrid Hunsicker 703.907.5629

Annual Meeting Program
 Mary McLaury 703.907.5557

Standing Committees
 Millie Ioray 703.907.5808

Voting Delegates
 Maureen Hamilton 703.907.5877

Youth Leadership Council
 Karen Bailey 703.907.5725

HOTEL RESERVATION CONTACTS

Hotel Reservations (questions only)
 NRECA Housing Bureau 703.449.6418
 nrechousing@jspargo.com

Housing (questions only)
 LaVisa Bentley 703.907.5659

NATIONAL ORGANIZATIONS

CFC (registration)
 Bernadette Waugh 703.709.6754

CFC (program)
 Mary Ann Harden 703.709.2094

Federated Rural Electric
 Carl L. Schroer 800.356.8360 ext. 125
 or 913.541.2925

Insurance Exchange
 Mary Ann Harden 703.709.2094

NCSC
 Mary Ann Harden 703.709.2094

NISC
 Lynda Brockman 866.999.6472 ext. 2908

NRTC
 Laurie Hawes 703.464.5208



Viva Las Vegas!

Mark Your Calendars for NRECA's
2007 Annual Meeting.

March 15 – 22, 2007

Las Vegas Convention Center, Las Vegas, Nevada

TechAdvantage Conference & Expo

March 15-20, 2007

Director Training

March 16-19, 2007

Annual Meeting

March 20-22, 2007

Dates are subject to change.

RESPONSE TO COMMISSION STAFF'S THIRD DATA REQUEST

- Q. Refer to the response to Item 18(e) of the Staff's second request which explains that directors elected or appointed after May 11, 2006 receive \$700 more per meeting than directors on the board before that date, which is in lieu of the health insurance coverage provided to the pre-May 2006 directors.
- a. Provide the results of any cost-benefit analysis performed by Jackson Energy on the issue of providing increased cash compensation versus paying for directors' health insurance. If no analysis was performed, explain why and describe how this decision was made.
- R a. The Board of Directors did not perform a cost-benefit analysis. It was felt that new directors should not be offered our health care insurance since the cost of health care coverage continues to rise. All new directors would be given a board fee equal to the previous board fee plus the value of the health care coverage at that time.
- Q b Health insurance appears to be optional for directors who were on the board as of May 11, 2006, since health insurance costs were incurred for only four directors during the test year. Is it correct that the policy change which eliminates health insurance for "newer" directors but pays them \$1,000 per meeting is applicable to all directors who become members of the board after May 11, 2006?
- R b Board members elected before May 11, 2006 are given the option of health care insurance or the comparable dollar amount. The board fee and the cost of health insurance are considered compensation by the board. The cash payment option is to provide equity to the directors choosing not to be covered by JECC's health insurance policy. It is correct that new directors will be paid a \$1,000 fee and cannot be a part of the health insurance plan.
- Q c Given that it has been Commission policy to disallow the cost of directors health insurance for rate-making purposes, explain why the additional compensation provided to Jackson Energy's newer directors in lieu of health insurance coverage should not also be disallowed for rate-making purposes.
- R c The \$1,000 board fee is compensation to directors for their duties as directors. Board members are responsible for meeting preparation, board meeting attendance, communicating with the member/owners who have complaints or questions, and representing the cooperative plus the responsibility and the liability for the cooperative.

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

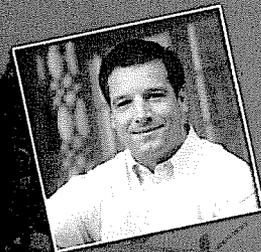
- Q. 11. Refer to the response to Item 19 of the Staff's second request, which references corrections to lines 33 and 34 on page 6 of 19 of Exhibit 10 of Jackson Energy's application. Should a similar correction be reflected for line 25 on page 6 of 19, which also references KAEC coordinated training? Explain.
- R. 11. The meeting listed on line 25 on page 6 of 19 was for the KAEC coordinated training meeting. The coordinated training meeting incorporates seminars that NRECA puts on for Directors at various locations. This allows Directors the opportunity to participate in training and educational seminars in a more condensed version.

Item 12
Page 1 of 5

Director Training

2006 NRECA PRE-ANNUAL MEETING TRAINING

Investing
in your **Future**



TechAdvantage Expo

February 17-20, 2006

Orange County Convention Center

Director Training Programs

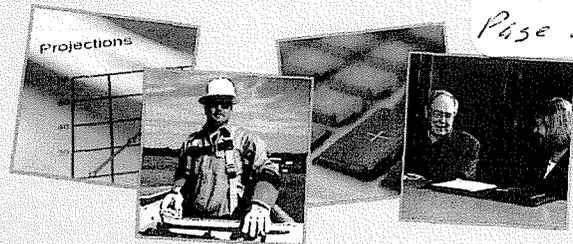
February 16-19, 2006

Rosen Plaza Hotel

NRECA Annual Meeting

February 20-22, 2006

Orange County Convention Center



Director Training

February 16-19, 2006 | Rosen Plaza Hotel

Today's world has boards and directors under increased scrutiny. It is now more important than ever for directors to know their roles and responsibilities and to have the knowledge and skills necessary to meet that scrutiny. NRECA's Pre-Annual Meeting Training is a great opportunity to brush up on your key skills and learn more about current issues in electric co-op governance.

Director Training Course Descriptions

2600.1 Director Duties and Liabilities (Revised 12/01/05)



Boards are responsible for directing the affairs of the corporation. This course, the first of the required courses in the NRECA Credentialed Cooperative Director (CCD) program, discusses and explains the duties of loyalty, obedience and due care, and the need for directors to acquire the minimum knowledge and skills necessary to fulfill their responsibilities within the cooperative context. **Fee: \$475**

2610.1 Understanding the Electric Business (Revised 12/01/05)



This course is designed to help directors understand that the electric utility industry is an evolving high-tech system that must be designed and engineered to meet regulatory and consumer standards for reliability, quality and safety. This requires an appropriate investment on a planned and on-going basis. This course provides directors with an understanding of the key components of the electric utility industry. **Fee: \$475**

2620.1 Board Roles and Relationships (Revised 12/01/05)



The success of the co-op is based on its ability to nurture and maintain effective relationships with consumers, community leaders, media, public officials and others. This course explains how the director and board each play a key role in developing plans and in implementing actions to maintain and manage these relationships. **Fee: \$475**

2630.1 Strategic Planning (Revised 12/01/05)



Boards have ultimate responsibility for ensuring and evaluating the long-term health of the organization. They help fulfill this duty by identifying goals through strategic planning and by authorizing the appropriate allocation of resources through the adoption of financial policies and by budget review and approval. This course teaches directors how to participate effectively in a strategic planning process. **Fee: \$475**

2640.1 Financial Decision Making (Revised 12/01/05)



This course is designed to help directors understand the role of the board in financial planning, including identifying the basic documents used in financial planning and reporting, assessing the issues that drive financial decisions, balancing competing goals, and taking responsibility to monitor and evaluate results. **Fee: \$475**

901.1 Rules and Procedures for Effective Board and Membership Meetings (Revised 2/2/04)

This course provides an overview of what directors should know about the rules of parliamentary procedure so they will be more effective participants in board meetings. Upon completion of this course, participants will understand the purpose and use of proper procedure in business meetings, and be generally familiar with the basic structure and content of *Robert's Rules of Order*. **Fee: \$475**

903.1 The Role of the Board Chair in Conducting Effective Meetings (Revised 12/14/04)

The board chair has the responsibility for organizing the meeting, creating a productive atmosphere allowing for the free exchange of opinion, presenting the issues to be resolved, bringing the decisions to resolution, and moving the cooperative forward. This one-day course will focus on the skills necessary to run an effective meeting, with group activities to practice handling common presiding problems. The material will be presented in a practical framework in compliance with *Robert's Rules of Order Newly Revised*, the parliamentary authority used by more than 95% of the groups in the United States. **Fee: \$475**

905.3 The 7 Habits of Highly Effective People (Revised 2/2/04)

For a cooperative to succeed, it must build a solid foundation of highly effective people who are working toward a common mission. With effective people come lasting results. This course helps participants to identify and eliminate behaviors that are keeping them from achieving superior results. Participants will learn to set goals and learn new ways of seeing, thinking, and acting so they not only reach, they actually surpass those goals. **Fee: \$1,095**

NOTE: This course requires completion of a survey by you, your peers, manager, or coworkers before the class starts. The results will be discussed during class. Directors enrolling two weeks prior to class may not have time to complete the survey. For directors who do not complete the survey in time, survey results can be mailed to their home address.

Director Training Course Descriptions *Continued*

914.1 Cooperative Communications and Public Opinion— The Director's Perspective **NEW**

Given the challenges of navigating through the evolving energy landscape, effective communications from the cooperative is an area of increasing importance. Whether it's communicating future rate increases or advertising your cooperative's participation in renewables, strong communication programs strengthen your identity with your consumers and build customer loyalty. This course guides participants as they explore the roles and responsibilities of directors with regard to communicating during a crisis or controversy and managing public opinion. **Fee: \$475**

915.1 Advocating the Cooperative Difference (Revised 8/9/04)

Grassroots advocacy is the cornerstone of the electric cooperative movement. It is especially effective when many individual electric cooperatives write letters and place phone calls to their elected government officials to express similar sentiments. Getting access to federal and state representatives and regulators is a challenge. This course gives directors the knowledge necessary to understand the legislative and regulatory processes and effectively promote their cause before these important bodies. This course also features the "Congressional Insight" simulation game. **Fee: \$475**

917.05 Creating a Political Action Plan—The Board's Role (Revised 8/9/04)

Federal, state and local representatives and regulators are extremely busy people. But it is as important as ever that the electric cooperative message be heard, understood and favorably considered. This course focuses on the board's role in the creation of a formal plan to build and maintain relationships with federal, state and local officials so that they can be ready to address potential challenges. **Fee: \$250**

It is recommended that directors taking this course have completed course 915.1, Advocating the Cooperative Difference.

923.1 New and Emerging Technologies— What Every Director Needs to Know **NEW**

The business of providing safe, reliable, and cost effective electrical service has never been more dependent upon technology. This course focuses on helping directors explore recent advancements in distribution system automation and information technology tools and how they help electric co-ops deliver superior service to their members. Through case study and interactive discussion, this course explores advancements in automated meter reading, SCADA technologies, broadband over power lines, and other technologies to help directors stay informed and educated. **Fee: \$475**

Director Training Schedule

All programs run from 8:00 a.m. – 4:00 p.m. except where noted. Registration opens at 7:00 a.m. daily.

Thursday, February 16

- 2600.1 Director Duties and Liabilities
- 2610.1 Understanding the Electric Business
- 925.1 Co-op Bylaws—Guiding Principles and Current Issues
- 929.1 Current Issues in Policy Development

Friday, February 17

- 905.3 The 7 Habits of Highly Effective People
(3 days—ends 2:00 p.m. Feb. 19)
- 924.1 Continuity Management and Emergency Response
Planning for Directors
- 930.1 Ethics and Governance—Implementing the
New Accountability
- 968.1 Advanced Rate Decisions—For Experienced Directors
- 2620.1 Board Roles and Relationships

Saturday, February 18

- 2630.1 Strategic Planning
- 901.1 Rules and Procedures for Effective Board and
Membership Meetings
- 914.1 Cooperative Communications and Public Opinion—
The Director's Perspective
- 915.1 Advocating the Cooperative Difference
- 951.2 Developing Effective Boardroom Decision Making
(2 days—ends Noon Feb. 19)
- 967.1 Fundamentals of Energy Risk Management for Directors

Sunday, February 19

- 2640.1 Financial Decision Making
- 903.1 The Role of the Board Chair in Conducting
Effective Meetings
- 917.05 Creating a Political Action Plan—
The Board's Role (8:00 a.m.—Noon)
- 923.1 New and Emerging Technologies—
What Every Director Needs to Know
- 969.1 Advanced Energy Risk
Management for Directors
Making Power Supply Decisions

Director Training Course Descriptions *Continued*

924.1 Continuity Management and Emergency Response Planning for Directors **NEW**

Cooperatives are consistently subjected to the ongoing challenge of providing continuous service to their membership in the face of natural and man-made disasters. Whether it's a hurricane, tornado, or employee sabotage, directors play an increasingly important role in monitoring the activities of management to ensure that physical and IT assets are secure and safe. This course focuses on the fundamentals of disaster planning and recovery, showing how directors can fulfill the responsibility they have to their members by ensuring the continuity of electrical and business operations. **Fee: \$475**

925.1 Co-op Bylaws—Guiding Principles and Current Issues (Revised 12/01/05)

This course addresses the rights and expectations of cooperative members and the powers bestowed upon the board of directors to govern a business that is owned by the membership. It will enable directors to address these rights and expectations within the context of the co-op's Articles of Incorporation and applicable state laws and federal regulations. **Fee: \$475**

929.1 Current Issues in Policy Development (Revised 12/01/05)

The Sarbanes-Oxley Act of 2002 raises new questions and expectations regarding board duties, roles, and relationships with management and the membership. These expectations require boards to respond quickly and effectively to a wide range of issues. Among these are the fulfillment of the board's legal duties and responsibilities and how well the board uses policies to help the board and management fulfill the objectives of the system. Policies addressed in this course help to clarify what the board delegates to the manager and the board's expectations of management and staff in operating the cooperative. Participants will also learn how to use policies to strengthen the effectiveness of their board and its working relationship with other board members. **Fee: \$475**

930.1 Ethics and Governance—Implementing the New Accountability (Revised 1/5/05)

In the new era of cooperative accountability, boards and management are expected—and some cases required—to implement standards, programs, and procedures involving such issues as codes of conduct, document retention, whistle blower protection, fraud risk assessment, and financial transparency, but questions remain about how to actually implement such programs. This course is based on NRECA's 2004 Ethics and Governance workshops. It will present practical strategies to help co-ops design and develop plans and programs that address these new expectations. **Fee: \$475**

951.2 Developing Effective Boardroom Decision Making (Revised 2/2/04)

In the complex environment of today's electric industry, effective decision-making is a must. Directors need the tools to assess today's challenges and to determine the best choice for all involved. This course shows directors the techniques and skills needed to identify issues, hold constructive discussions, and resolve conflict so that satisfactory solutions can be reached. **Fee: \$700**

967.1 Fundamentals of Energy Risk Management for Directors (Revised 2/2/04)

Changes in the deregulated wholesale energy business are affecting the knowledge and skills needed by cooperative managers, directors, and staff. Some co-ops may not be prepared to manage the complexities presented by the wholesale energy market, including the operational, credit and regulatory risks. Recent bankruptcies and financial malfeasance committed by leading energy suppliers have also drawn greater scrutiny to all aspects of wholesale energy transactions. This course provides an introductory overview for directors on the rules of power supply, including risk management, energy trading and the reliability of power supply contracts. **Fee: \$575**

968.1 Advanced Rate Decisions—For Experienced Directors (Revised 02/01/05)

This course is designed to enable directors to discuss and understand the complex issues that must be balanced when the board considers equity management and alternative rate philosophies and strategies. Through a set of case studies and problem situations, attendees will analyze and discuss such issues as equity goals, long-range revenue requirements, achieving fairness for multiple rate classes, and dealing with proposed rate increases. **Fee: \$475**

It is recommended that directors taking this course have completed course 2640.1 Financial Decision Making.

969.1 Advanced Energy Risk Management for Directors Making Power Supply Decisions (Revised 2/2/04)

This course focuses on the importance of energy risk management policy. After completing the course, directors will understand why such a policy is critical to the success of a cooperative with wholesale power (or energy) supplier responsibilities. This course will assist directors in understanding what should be included in an energy risk management policy, including internal controls and procedures, necessary tools and resources, and appropriate governance and organizational structures. **Fee: \$575**

It is recommended that directors taking this course have completed course 967.1 Fundamentals of Energy Risk Management for Directors.

Register online at www.cooperative.com

2006 Annual Meeting & Expo Schedule Schedule subject to change.

Thursday, February 16

- 8:00 a.m. – 4:00 p.m. Director Training
- 8:30 a.m. – 5:00 p.m. TechAdvantage Conference

Friday, February 17

- 8:00 a.m. Standing Committee Joint Meeting
- 8:00 a.m. – 4:00 p.m. TechAdvantage Conference
- 8:00 a.m. – 4:00 p.m. Director Training
- 9:00 a.m. Standing Committee Meetings
- 9:00 a.m. – 4:30 p.m. Workplace Law
- 4:30 p.m. – 7:30 p.m. TechAdvantage Expo Gala Grand Opening

Saturday, February 18

- 8:00 a.m. – 4:00 p.m. Director Training
- 8:00 a.m. – 4:30 p.m. Legal Seminar 46
- 8:00 a.m. – 5:00 p.m. Registration
- 8:30 a.m. Standing Committee Meetings
- 9:00 a.m. – 12:10 p.m. Technology Showcase
- 10:00 a.m. – Noon TechAdvantage Expo (CEO & Co-op Staff Only)
- Noon – 2:00 p.m. Electric Cooperative Bar Association Annual Meeting
- Noon – 3:00 p.m. TechAdvantage Expo
- 3:45 p.m. Southeastern Data Cooperative Annual Meeting

Sunday, February 19

- 7:30 a.m. Congressional Action Center Opens
- 7:30 a.m. – 5:00 p.m. Registration
- 8:00 a.m. – 4:00 p.m. Director Training
- 8:30 a.m. – Noon Legal Seminar 46
- 8:30 a.m. NRECA Board Meeting
- 9:00 a.m. Ecumenical Service
- 10:30 a.m. NISC Annual Meeting
- 11:00 a.m. – 3:00 p.m. TechAdvantage Expo
- 3:00 p.m. NRTC Annual Meeting

Monday, February 20

- 7:30 a.m. – 5:00 p.m. Registration
- 8:30 a.m. – 11:00 a.m. NRECA Annual Meeting—Opening General Session
- 11:30 a.m. – 2:30 p.m. TechAdvantage Expo
- Noon Celebration Luncheon
- 1:00 p.m. NCSC Annual Meeting
- 2:45 p.m. Forum Sessions
- 8:00 p.m. Entertainment Night

Tuesday, February 21

- 7:30 a.m. – 5:00 p.m. Registration
- 8:30 a.m. Second General Session
- 10:30 a.m. Business Session
- 1:00 p.m. Forum Sessions
- 2:30 p.m. CFC Annual Meeting
- 4:30 p.m. Federated Rural Electric Insurance Exchange Annual Meeting

Wednesday, February 22

- 7:00 a.m. ACRE® Breakfast
- 7:30 a.m. – Noon Registration
- 8:30 a.m. – 11:00 a.m. Closing General Session

NRECA Hotel Shuttle Bus Service

Complimentary shuttle service will be provided between official hotels and the Orange County Convention Center. The service will run:

Saturday, February 18	6:00 a.m. – 6:30 p.m.
Sunday, February 19	6:00 a.m. – 7:00 p.m.
Monday, February 20	6:00 a.m. – 10:00 p.m.
Tuesday, February 21	6:00 a.m. – 7:00 p.m.
Wednesday, February 22	5:45 a.m. – Noon

Shuttle bus service for Pre-Annual Meeting Training starts on Saturday, February 18.

Jackson Energy Cooperative
Case No. 2007-0033
Third Data Request of Commission Staff

- Q. Refer to the response to Item 21(d) of the Staff's second request concerning the early retirement offered by Jackson Energy during the test year. Provide a general description of the NRECA-sponsored retirement plan, the number of employees to whom it was offered, the number that accepted the offer, and the areas within the organization in which they were employed.
- R. The NRECA Special Early Retirement Plan allows a cooperative to offer unreduced early retirement benefits on a one-time basis to certain eligible employees. Jackson Energy Cooperative chose to offer this to employees who were at least 59 years of age as of March 1, 2005. The early retirement date was to be March 1, 2005 and it was offered to the six employees who met that criteria. Of the six employees, four accepted the offer. The areas within the organization in which they were employed were Administration, Finance and Accounting, Customer Services, and Engineering and Operations.

Jackson Energy Cooperative
Case No. 2007-00333
Public Service Commission Third Data Request

14. Refer to the response to Item 24(a) of the Staff's second request. To the extent that it has any knowledge, when does Jackson Energy expect the \$4,140,000 in loan funds to be advanced?

Response

Jackson Energy has received a loan advance on February 1, 2008 in the amount of \$3,891,000. The remainder of \$250,000 will be requisitioned in the near future.

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

- Q. 15. Refer to the responses to Items 6 and 7 of the first data request of the Attorney General ("AG"), which deal with the treatment of customer deposits and the interest on customer deposits.
- Q. a. Is it Jackson Energy's understanding that the Commission treats these items differently for cooperatives than it does for investor-owned utilities ("IOU")?
- R. a. Jackson Energy was attempting to illustrate the method the Commission has used for cooperatives to the AG.
- Q. b. Does Jackson Energy understand that the reason for the different treatment is that the revenue requirement determination for cooperatives is based on required net margins (income) while the revenue requirement determination for IOUs is based on required net operating income?
- R. b. Jackson Energy was not aware of the treatment for IOUs as it is only concerned with, and aware of, the treatment for cooperatives.

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

- Q. 16. Refer to the responses to Item 29 of the first data request of the AG and Item 38 of the Staff's initial data request. Provide a detailed explanation for why depreciation expense on transportation equipment increases from \$104,964 during the test year to \$322,737 on normalized basis. Include in the explanation a discussion of how this occurs even though the "allocation of the increase in depreciation on transportation equipment is based on actual test year clearing."
- R. 16. This was a combination of the rate increasing as a result of the study and Jackson Energy purchasing additional vehicles during the test year.

The normalized increase was allocated to accounts based on the actual test year allocation of transportation clearing.

Jackson Energy Cooperative
Case No. 2007-00333
Third Data Request of Commission Staff

Q. 17. Refer to the responses to Item 30 of the first data request of the AG and Item 38 of the Staff's initial data request. Provide a schedule, in the same format as the response to Item 38, which reflects the amount of normalized depreciation expense that would result from using Jackson Energy's current depreciation rates rather than its proposed rates.

R. 17.

Account Number	Description	Test Year Balance	Existing Rate	Normalized Expense	Test Year Expense	Exclude Items Fully Depreciated
Distribution plant:						
362	Station equipment	\$1,463,190	2.76%	\$40,384		
364	Poles, towers & fixtures	55,432,254	3.78%	2,095,339		
365	Overhead conductors & devt	47,257,108	2.95%	1,394,085		
366	Underground conduit	29,207	2.08%	608		
367	Underground conductor & dt	1,275,527	3.37%	42,985		
368	Line transformers	25,009,124	2.76%	690,252		
369	Services	15,429,549	3.82%	589,409		
370	Meters	2,071,487	2.93%	60,695		
370.10	Meters, AMR	7,921,562	6.67%	528,368		
372	Security lights	3,649,295	4.52%	164,948		
373	Street lights	216,871	4.43%	9,607		
108.60	Net Salvage accruals			758,117		
		<u>159,755,174</u>		<u>6,374,797</u>	<u>6,007,875</u>	
General plant:						
389	Land	199,155				
390	Structures and improvements	6,503,863	2.38%	150,566	135,753	177,549
391	Office furn and eqt	299,779	15.52%	34,557	17,091	77,116
391.01	Office computer equip	749,047	15.91%	98,264	95,100	131,423
391.02	Office furn and eqt	217,097	15.53%	33,715	4,837	0
391.2	Office furn and eqt	232,124	11.80%	8,007	8,161	164,264
392	Transportation	4,394,940	2.92%	114,926	104,964	459,118
392.01	Transportation , other	247,795	4.61%	8,586	7,715	61,550
393	Stores	235,207	4.68%	9,500	9,554	32,225
394	Tools, shop and garage	283,643	3.94%	10,706	10,479	11,910
395	Laboratory	247,096	6.10%	10,663	10,094	72,295
396	Power operated	127,322	12.00%	14,168	17,442	9,258
397	Communications	907,131	9.26%	64,619	56,777	209,298
398	Miscellaneous	344,580	5.56%	16,692	16,531	44,360
		<u>14,988,779</u>		<u>574,970</u>	<u>494,498</u>	
	Total electric plant	<u>\$174,743,953</u>		<u>6,949,767</u>	<u>6,502,373</u>	